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BANCO DE **ESPAÑA**
Eurosistema



CONTENTS

Quarterly report on the Spanish economy

Overview 3

Main boxes 10

Spanish non-financial corporations' debt since the start of the crisis. A disaggregated analysis 15

Financial regulation: 2012 Q4 23

Economic indicators 1*

QUARTERLY REPORT ON THE SPANISH ECONOMY

OVERVIEW

During the first three quarters of 2012 the Spanish economy continued on the contractionary course begun in 2011 Q4. The indicators available suggest this pattern will have intensified in Q4, and a decline in the quarter-on-quarter growth rate of GDP of 0.6% is estimated, entailing a reduction of 1.7% in its year-on-year rate (see Table 1). On the expenditure side, the rate of decline of national demand steepened to a quarter-on-quarter rate of 1.9% (-4.6% year-on-year). This was the result of a combination of transitory factors, such as the effects of the reversal of the bringing forward of purchases prior to the hike in VAT rates in Q3 and the elimination of the extra December payment for civil servants, along with more persistent factors such as the continuing tight financing conditions, despite the easing in recent months, and the weakness of the labour market. Net external demand rose in Q4, contributing 1.4 pp to output (2.9 pp in terms of its year-on-year rate), chiefly as a result of the reduction in imports, prompted by the sluggishness of final demand and by the reversal of the bringing forward of certain import purchases to the previous quarter. The weakness of the euro area economy led to a loss of buoyancy in exports in this period.

For 2012 as a whole GDP is expected to decline by 1.3%, against a financial background of high tension, fiscal consolidation, private-sector deleveraging and the ongoing reduction in employment. Behind this fall in GDP lies a contraction in national demand (-3.9%), greater than that of the previous year, and to which all its consumption and investment components contributed. Conversely, net external demand once again eased the impact of the contraction in domestic spending on activity, with a positive contribution of 2.6 pp for the year as a whole, underpinned both by the increase in exports and by the decline in imports. On the supply side, there were worse figures for all the productive sectors compared with 2011, with declines in value added in industry, in non-market services and, above all, in construction, and virtually zero growth in market services. Employment fell at a higher rate than the previous year, with an estimated decline in numbers employed of 4.3%, partly as a result of the reduction in public-sector employment, which fell for the first time since the crisis began. The unemployment rate rose sharply throughout the year, climbing to 25% in Q3, against the background of a very moderate decline in the labour force.

After increasing in 2011, labour costs resumed the moderate trajectory initiated in 2010, and there was an estimated decline in compensation per employee (-0.6%), much influenced by lower public-sector wages. The inflation rate accelerated markedly in the second half of the year further to the rise in energy prices and to the effect of the increase in VAT and administered prices on final prices. In December 2012 the 12-month percentage change in the CPI stood at 2.9% (2.2% for the CPI excluding unprocessed food and energy). That made for a positive inflation differential with the euro area of 0.8 pp, reflecting the aforementioned series of factors with a temporary impact. As the base effects caused by these factors are progressively stripped out, the inflation difference should once again become favourable for Spain, as occurred in the first half of 2012.

On the international financial front, the pace of activity tended to stabilise in the closing months of 2012, following a slowdown in the preceding quarters. As part of this global picture, there were discrepancies in terms of developments in the emerging and the advanced economies. In the former, which overall experienced greater dynamism, the slow-

	2011	2012	2011				2012			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
National Accounts										
Quarter-on-quarter rate of change, unless otherwise indicated										
Gross domestic product	0.4	-1.3	0.3	0.2	0.0	-0.5	-0.4	-0.4	-0.3	-0.6
Private consumption	-1.0	-1.9	-0.7	-0.2	-0.6	-1.0	0.5	-0.9	-0.5	-1.6
Gross capital formation	-5.5	-8.7	-1.1	-1.3	-0.9	-3.3	-2.1	-3.2	-1.5	-2.0
Domestic demand	-1.9	-3.9	-0.3	-0.7	-0.8	-1.3	-0.3	-1.3	-1.1	-1.9
Exports	7.6	3.3	1.0	1.2	3.5	0.1	-2.3	1.7	4.8	-0.7
Imports	-0.9	-5.0	-1.0	-2.0	0.8	-2.8	-1.9	-1.3	2.4	-5.0
Contribution of net external demand (b)	2.3	2.6	0.6	0.9	0.8	0.9	-0.1	0.9	0.8	1.4
Year-on-year rate of change										
GDP	0.4	-1.3	0.5	0.5	0.6	0.0	-0.7	-1.4	-1.6	-1.7
Employment	-1.7	-4.3	-1.4	-0.9	-1.6	-2.9	-3.7	-4.7	-4.6	-4.1
GDP deflator	1.0	-0.1	1.0	1.2	0.8	0.8	0.4	0.1	0.5	-1.6
Price indicators (year-on-year rate of end-period data)										
CPI	3.2	2.4	3.6	3.2	3.1	2.4	1.9	1.9	3.4	2.9
CPI excl. unprocessed food and energy	1.7	1.6	1.7	1.7	1.7	1.5	1.2	1.3	2.1	2.1
HICP	3.1	2.4	3.3	3.0	3.0	2.4	1.8	1.8	3.5	3.0
HICP difference vis-à-vis the euro area	0.3	-0.1	0.6	0.3	0.0	-0.3	-0.9	-0.6	0.9	0.8

SOURCES: INE and Banco de España.

a Information available to 21 January 2013.

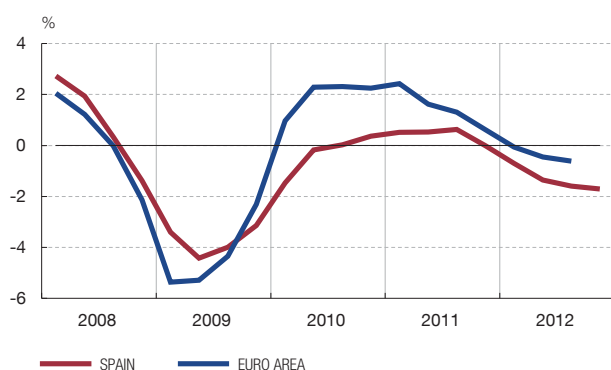
b Contribution to the quarter-on-quarter rate of change in GDP in pp.

down in the pace of activity in the first half of the year came to a halt. And in the advanced economies, the recessionary climate in the euro area and in its vicinity continued, and low growth persisted in the other developed countries, although the United States performed relatively more favourably. Commodity prices remained stable and inflation rates held at moderate levels, giving rise to further expansionary monetary policy measures. The tension on international financial markets continued to abate in the closing months of the year, in step with the improved financial situation in the euro area and, more recently, with the lesser uncertainty over the so-called US fiscal cliff.

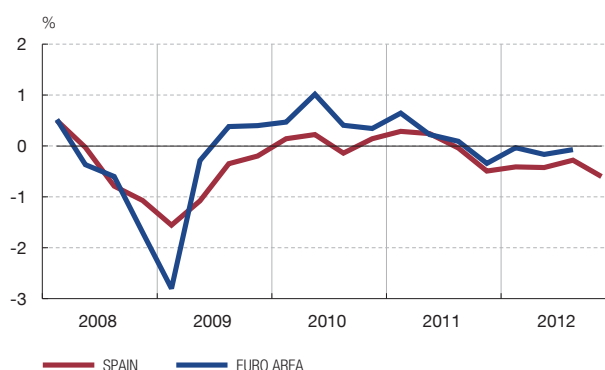
During the quarter in Europe, key decisions were taken that contributed to dispelling the uncertainty surrounding the euro project. Headway was made in resolving Greece's financial difficulties, with the joint disbursement of the first two financial aid tranches envisaged in the second assistance programme being approved. Major steps were taken in moving towards a European banking union. Specifically, on 13-14 December the European Council reached a consensus on the bases for the establishment of a Single Supervisory Mechanism (see Box 2). The European authorities also made a favourable assessment of the fulfilment of the various assistance programmes in train. All these decisions had a positive effect on European financial markets, consolidating the relief that had begun to take root in September and October following the ECB's announcement on the implementation of its Outright Monetary Transactions Programme. Indeed, in recent months sovereign spreads have narrowed, capital market financing conditions have improved and stock markets have rallied.

Although tensions have eased, the latest economic information points to a further fall-off in activity in the euro area in 2012 Q4, prolonging the recession that began to take form in

YEAR-ON-YEAR RATE OF CHANGE



QUARTER-ON-QUARTER RATE OF CHANGE



SOURCES: ECB, INE and Banco de España.

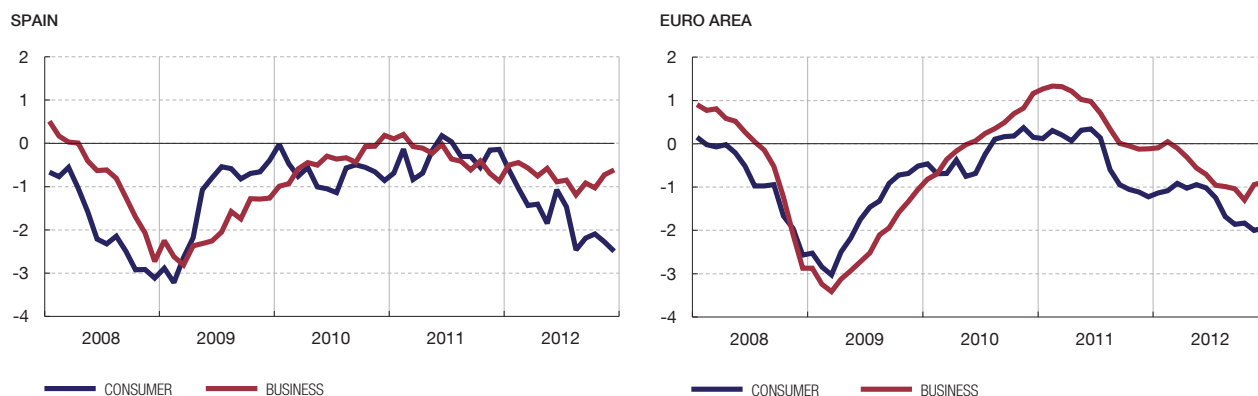
a Seasonally adjusted series.

late 2011. Inflation slowed in the final stretch of the year to a year-on-year rate of 2.2% in December, still conditioned by its more volatile components, for which more moderate behaviour is foreseen in the coming quarters. Accordingly, the HICP should stand below 2% in the coming months. The absence of risks to price stability in the medium term, in a context of persistent cyclical weakness, led the ECB to hold its MRO interest rate at 0.75%, and its deposit and marginal lending facilities at 0% and 1.50%, respectively. The expansionary monetary policy stance was rounded off with the ECB's announcement at its December meeting to extend its quarterly fixed rate tender procedures with full allotment for as long as necessary, and at least until 9 July 2013.

In Spain, progress was made over the past quarter in the clean-up, recapitalisation and restructuring of the financial system, in keeping with the parameters and demanding timetable laid down in the Memorandum of Understanding on financial-sector policy conditionality agreed with our European partners. In late November the European Commission published the adjustment plans to be undertaken by banks requiring aid, which will entail substantial adjustments in their activity, commercial network, employment and balance sheet size. Following the positive assessment of the degree of compliance with the commitments in the Memorandum, the €36.97 billion agreed by the European Stability Mechanism (ESM) was paid out. Finally, SAREB (the Asset Management Company for Assets Arising from Bank Restructuring) commenced operating as the management company of the assets transferred by the nationalised banks.

The Spanish financial markets also experienced the easing in tensions in the euro area. This was reflected in lower Spanish public debt yields and narrower spreads over the German benchmark, along with a reduction in private risk premia. And at the same time, stock prices rose and volatility lessened. As a result, at the time of his report going to press, the yield on the Spanish 10-year bond and the related spread over the German bund stood respectively at 5.1% and 350 bp. On the stock markets, the IBEX 35 rallied in the final quarter of 2012 (by 6%), ultimately posting losses of 5.3% for the year. The uptrend has continued into January to date. Lastly, on the real estate market, the latest information suggests a continuation of the downward course of house prices in the closing months of 2012.

Overall, the easing in financial tensions in recent months has translated into improved financing conditions for the resident sectors on wholesale markets, an increase in investment



SOURCE: European Commission.

a Normalised confidence indicators (difference between the indicator and its mean value, divided by the standard deviation).

by non-residents in the Spanish economy and lesser dependence by monetary and financial institutions on Eurosystem financing. However, bank rates remain at high levels and bank lending conditions for households and corporations continue to be tight, meaning the private sector remains subject to significant financial pressure.

This situation continued to weigh on the spending decisions of households, which foreseeably experienced further declines in disposable income and in the value of their wealth in the closing months of 2012, against a background of unfavourable labour market prospects and persisting uncertainty. In these conditions, household consumption posted negative figures throughout the year, though more forcefully so in the final months, owing to the impact of the fiscal consolidation measures on household income and of the inflation rate. Nonetheless, a portion of these effects is temporary, as is the case of the negative impact associated with the bringing forward to Q3 of certain purchases (essentially of consumer durables). This decline took place despite the implementation of the so-called PIVE Plan (a scheme to promote more fuel-efficient vehicles), whose impact may now be delayed to the opening months of 2013. For 2012 as a whole, it is estimated that consumption fell at a rate of close to 2%. For another year, saving helped soften the pattern of consumption in the sector, as has occurred since 2009, with a reduction in the saving rate to 8.8% of disposable income being observed in Q3 (in four-quarter cumulated terms), 2.2 pp down on its level in 2011.

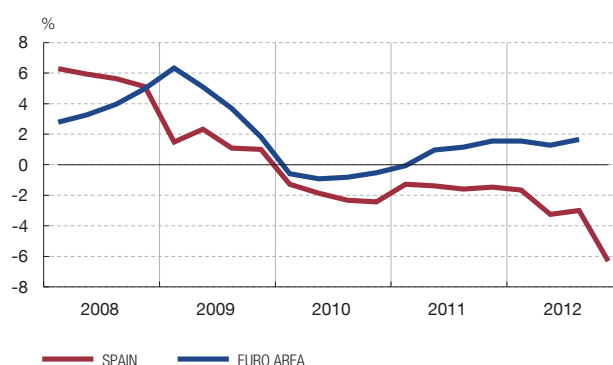
Residential investment continued to decline in the closing months of the year, making for the fifth year of adjustment for the real estate sector, with a fall of over 7% in 2012. The regulatory changes introduced in 2012, which will come into force this year (namely the creation of SAREB, the raising of VAT from 4% to 10% in January 2013, the elimination of tax relief on the purchase of the principal residence and the foreseeable entry into force of the reformed rental law) add some uncertainty to how the real estate market will fare in the coming quarters, although the demand-side conditions prevailing and the persistence of a high stock of unsold houses suggest the adjustment may continue in 2013. In this setting of shrinking expenditure and tight financial conditions, lending to households declined in the closing months of the year at a similar pace to that of the previous quarter (-3.6% year-on-year to November).

Business investment was likewise affected by the above-mentioned financial environment and by the relatively unfavourable domestic and external demand outlook. Accordingly, both investment in equipment and that in other construction fell in the final stretch of 2012,

HARMONISED INDICES OF CONSUMER PRICES (a)



UNIT LABOUR COSTS (b)



SOURCES: Eurostat, ECB and INE.

a Year-on-year rate of change.

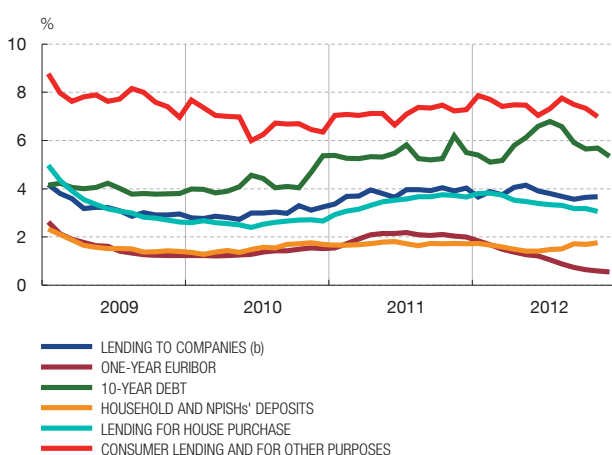
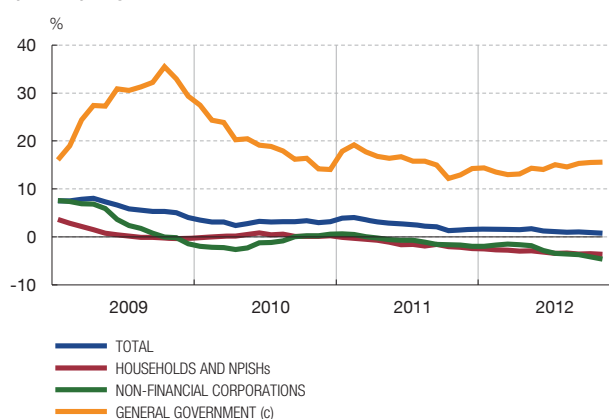
b Per unit of output. Year-on-year rate of change calculated on the basis of seasonally adjusted series.

and their end-year rates of decline are estimated at 5% and 15%, respectively. The reduction in corporations' debt stepped up in the final months of the year, reaching a rate of -4.6% in November (-3.7% in September).

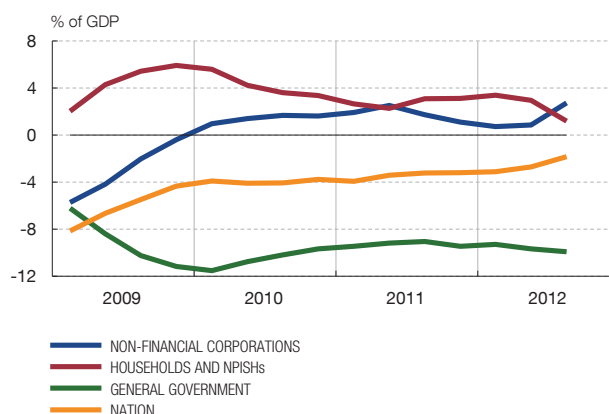
The information available for the overall general government sector, covering up to Q3, revealed net borrowing of €65 billion (6.2% of annual GDP), almost 0.5 pp of GDP higher than in the same period a year earlier. That said, it should be borne in mind that the 2012 figure includes the impact stemming from specific aid to financial institutions, which increased public spending, through the capital transfers heading, by an amount of 1% of GDP. The marked sluggishness of revenue to September (with a decline of 1.7%) would account for the laboured progress in correcting the deficit in this period, since spending, with a decline of over 3% (if the impact of the aid to financial institutions is excluded), moved more closely in line with the initially budgeted figure.

Against this backdrop, and with the aim of attaining the budget deficit target of 6.3% of GDP at the end of the year (a target which does not include the impact of the aid to financial institutions on the deficit), the general government sector stepped up its fiscal consolidation effort in the closing months of the year, in which a significant portion of the impact of the revenue-raising and expenditure-cutting measures approved during the year was concentrated. These measures included most notably the rise in VAT from 1 September (to 21% and 10%, respectively, for the standard and reduced rates), the change in corporate income tax, the elimination of the extra December payment for civil servants and, lastly, the suspension of the inflation adjustment applied to pensions. As a result, the latest information on the budget outturn for the different sub-sectors in October and November points to a very significant reduction in tax revenue slippage in these months (essentially owing to the acceleration in VAT and corporate income tax receipts) and to a further improvement in the degree of approximation of expenditure to its programmed objective after incorporating the impact of the elimination of the extra December payment for civil servants and the decision not to apply an indexation adjustment to pensions. This budgetary consolidation drive has had a clearly contractionary effect on economic activity throughout the year, proving particularly acute in the final months owing to the reasons set out. For 2013, the European commitments acquired under the Stability and Growth Pact lay down an overall general government deficit target of 4.5% of GDP, whose attainment

INTEREST RATES (a)

FINANCING TO NON-FINANCIAL RESIDENT SECTORS
(year-on-year growth)FINANCIAL ASSETS OF NON-FINANCIAL CORPORATIONS AND OF
HOUSEHOLDS AND NPISHs
(year-on-year growth)

NET FINANCIAL TRANSACTIONS (d)



SOURCE: Banco de España.

- a In June 2010 the statistical requirements relating to interest rates applied by credit institutions to their customers were amended, potentially causing breaks in the attendant series. Of particular significance was the change in the interest rates on consumer credit and other loans, as a result of which, from that month, operations transacted using credit cards have not been included. APR for loans (includes commissions and other expenses) and NDER for deposits.
- b Weighted average of interest rates on various transactions grouped according to their volume. For loans exceeding €1 million, the interest rate is obtained by adding to the NDER (Narrowly Defined Effective Rate), which does not include commission and other expenses, a moving average of such expenses.
- c Consolidated financing: net of securities and loans that are general government assets.
- d Four-quarter cumulated data.

will require a further and very ambitious fiscal effort both on the part of central government and the regional governments. In this respect, following the approval of the State and Social Security Budget, the regional governments have submitted their budgets for 2013, which include fresh increases in revenue and cuts in current and capital spending alike.

As regards trade with the rest of the world, net external demand in the closing months of 2012 partly offset the effect of the contraction of domestic spending on activity; however, compared with the previous quarters, in which the contribution of exports and imports was more balanced, the dominant factor was the decline in imports against a background of markedly slowing exports in the final months of the year. The external factor thus contributed, for another year, to softening the impact of the contraction in domestic demand on output. Behind this development lies the weakness of the cycle, which reduces imports, but also the gains in competitiveness generated over the past three years, which are conducive to growing Spanish export penetration of new markets, a requirement for con-

tinuing to lessen dependence on the cyclical situation in Europe (see Box 5), and for obtaining very positive results in foreign trade in services, most especially non-tourist services.

In this setting, the adjustment of the external imbalance intensified in 2012, with a decline in the Spanish economy's net borrowing to Q3 of 52.1% compared with a year earlier (to €13.3 billion, 1.7% of GDP). Indeed, for the first time since this information has been available, Spain had net lending capacity vis-à-vis the rest of the world in Q3. From the standpoint of the institutional sectors, this improvement in net financing was the outcome of the clean-up of corporations' balance sheets. Companies increased their financing capacity, while households continued to see their financing capacity move on a declining trajectory, as has been the case since 2010, and the general government sector retained still-high deficit financing needs. .

The contraction in expenditure was mirrored in supply, where it is estimated that all the productive sectors saw a further deterioration in their output in the final quarter. In the case of some, such as industry and market services, this development might have been influenced by the reversal of the positive effect exerted by the bringing forward of purchases ahead of the expected rise in VAT rates in September. In the year as a whole, all the productive sectors are estimated to have performed more unfavourably than in the previous year. Notable in this connection was the fall-off in activity in the construction sector, influenced by the continuing adjustment in the residential segment and the decline in civil engineering works, on which the budgetary austerity plans bore down. In these circumstances employment shrank at a higher rate than in the previous year, partly owing to the decline in public-sector employment in response to the application of the regional governments' financial rebalancing plans, which compounded the employment adjustment previously begun by central government. In the market economy, while the decline in employment was likewise significantly acute, the deterioration moderated over the course of the year, following the sharp declines in late 2011 and early 2012. As in previous years, the decline in employment was centred on workers with temporary contracts, and the better relative performance in the case of part-time employees continued.

After rebounding in 2011, labour costs slowed markedly in 2012. A fall of 0.6% in compensation per employee was estimated, the outcome of the reduction in public-sector wages and of a very moderate increase in market-economy wages (0.5%), which might even have undergone a slight fall in the final quarter of the year. That reflects the lower increase in collectively bargained wage rates (1.3% against 2.5% in 2011), a likewise lesser impact of indexation clauses and negative wage drift on a significant scale which put downward pressure on labour costs. Overall, this wage moderation reflects the effect of the latest labour market reforms which, along with the wage agreements entered into by the social agents, are expected to have significantly changed collective bargaining dynamics. The course of labour costs provided for a further downward adjustment, for the third year running, in unit labour costs in 2012 (of -2.8% in the market economy, up on that observed in the two previous years). The firming of this trajectory in the coming quarters is crucial if the effects of the labour market reforms are to begin to exert an expansionary effect on employment, which is their ultimate objective. In this respect it is vitally important that the rise in inflation in recent months, which is of an eminently temporary nature and associated with tax increases, should not feed through into collective bargaining. Further, the competitive devaluation the Spanish economy needs in the current circumstances also requires a similarly sharp containment of prices and margins in order to obtain the results wished for in terms of job creation. With this aim in mind, it is a priority to deepen the liberalising reforms of product and service markets.

21.1.2013.

THE ROLE OF GEOGRAPHICAL DIVERSIFICATION IN THE BUOYANCY OF SPANISH GOODS EXPORTS DURING THE ECONOMIC CRISIS

Spanish goods exports have performed relatively favourably in recent years, despite growing competition from the emerging countries and the slowdown in some of our main trading partners. The cumulative gains in price-cost competitiveness against our main competitors (reflecting the internal devaluation the Spanish economy is undergoing) and developments in our export markets would account for this sound performance (see

Panel 1).¹ Recently, however, the buoyancy of Spanish sales to the rest of the world appears to have been systematically greater than would be compatible with the historical average effect of

¹ C. García et al. (2008): "Una actualización de las funciones de exportación e importación de la economía española". *Boletín Económico*, Banco de España, December.

1 REAL GOODS EXPORTS AND THEIR MAIN DETERMINANTS: CONTRIBUTIONS TO ANNUAL GROWTH



SOURCES: INE and Banco de España.

1 SPANISH GOODS EXPORTS In nominal terms

	Structure of exports. % of total				Year-on-year rate of change (%)		Contributions to rate of change (%)	
	2000	2007	2011	2012 Jan-Oct	2011	2012 Jan-Oct	2011	2012 Jan-Oct
Europe	78.2	77.1	73.6	70.6	14.0	-0.4	10.4	-0.3
EU	73.4	70.7	66.0	62.7	12.6	-1.2	8.6	-0.8
Euro area (EMU 17)	60.4	57.1	52.8	49.6	9.6	-2.1	5.3	-1.1
Other EU	12.9	13.7	13.3	13.1	26.6	2.4	3.2	0.3
Rest of Europe	4.8	6.4	7.6	7.9	27.3	7.2	1.9	0.6
North America (a)	6.6	6.1	5.6	6.1	17.3	-5.4	1.0	-0.3
Latin America (a)	4.4	3.1	4.2	4.8	26.2	20.0	1.0	0.8
Rest of the Americas	0.4	0.4	0.1	0.1	-2.0	-9.7	0.0	0.0
Asia	5.8	6.1	7.9	8.4	20.9	15.3	1.6	1.2
China	0.4	1.1	1.6	1.7	28.0	11.3	0.4	0.2
Africa	3.3	4.4	5.4	6.7	11.6	31.0	0.7	1.7
North Africa	2.3	3.1	3.9	5.0	10.8	35.9	0.4	1.4
Maghreb	2.0	2.8	3.5	4.5	13.8	35.5	0.5	1.2
Oceania	0.4	0.7	0.8	1.1	38.3	41.2	0.3	0.3
Unallocated	0.8	2.1	2.3	2.1	26.7	-6.9	0.6	-0.2
WORLD TOTAL	100	100	100	100	15.4	4.2	15.4	4.2

SOURCE: Ministry of Economic Affairs and Competitiveness.

a Mexico is included in North America.

THE ROLE OF GEOGRAPHICAL DIVERSIFICATION IN THE BUOYANCY OF SPANISH GOODS EXPORTS DURING THE ECONOMIC CRISIS (cont'd)

these two variables, price-cost competitiveness and export markets. This suggests other factors, of a very different nature and which are difficult to capture in the export demand equations, are contributing positively to the increase in Spanish goods exports. Among these, mention may be made of the improvements in non-price competitiveness, increases in the variety of products exported, changes in the geographical direction of exports and the widening of the export base, that is to say, the number of Spanish companies that export.

The changes in a country's productive structure, prompted by the reallocation of productive factors across sectors, occur gradually; accordingly, it seems rather unlikely that the product composition of Spanish exports has changed considerably since the onset of the economic crisis. Conversely, a re-directing of Spanish exports towards markets outside the euro area has been observed. On aggregate Customs figures, nominal exports grew at a year-on-year rate of 4.2% in the first ten months of 2012 (15.4% in 2011). This increase is due to the sound behaviour of sales directed outside the euro area, since exports to the euro area fell in this period (-2.1%) (see Table 1). Specifically, exports to Latin America, Asia and Africa account for most of the growth recorded by goods sales abroad in the January-October 2012 period, with growth rates of 20%, 15.3% and 31%, respectively. The change in direction of Spanish exports has, in particular, been towards regions closer in cultural terms (Latin America) and geographically (North Africa), the demand in both areas being more dynamic than the global average.² From 2007, before the collapse in world trade that took place in the final stretch of 2008, the weight of sales to Latin America and Africa in total Spanish goods exports increased by 1.7 pp and 2.3 pp, respectively, to 4.8% (6.3% if Mexico is in-

cluded) and 6.7% of the total in the first ten months of 2012.³ Thanks in part to this greater geographical diversification, the contribution of the external sector to GDP has been more positive in recent years. Specifically, around 75% of the contribution of total exports to GDP growth between 2009 and 2012 Q3 (equivalent to around 2 pp of GDP according to QNA) has been due to the increase in exports outside the euro area, compared with little more than 55% in the 1999-2008 period (see Panel 2).

This export diversification process has run in parallel with the increase in the number of Spanish exporting firms targeting emerging markets and developing areas. Given the sluggishness of domestic demand and of some of Spain's traditionally bigger markets, such as Italy and Portugal, firms are being obliged to seek out new markets.⁴ According to the data released by ICEX (Spanish Institute of Foreign Trade), prepared drawing on Customs information, the number of Spanish exporting firms has grown significantly in recent years, at an annual average of 6.1% from 2008 to 2011, making for a total of almost 123,000 companies at the end of that period.⁵ As well as widening, the export base has also diversified. Whereas in 2007 only 17% of Spanish exporting firms sold their products in Latin America, 22% did so in 2011 (see Panel 3).⁶ This percentage

2 This pattern of diversification would be consistent with what gravity models suggest. See C. Martín (2011): "Un análisis del destino geográfico de las exportaciones españolas de bienes a través de una ecuación de gravedad". *Boletín Económico*, Banco de España, July-August.

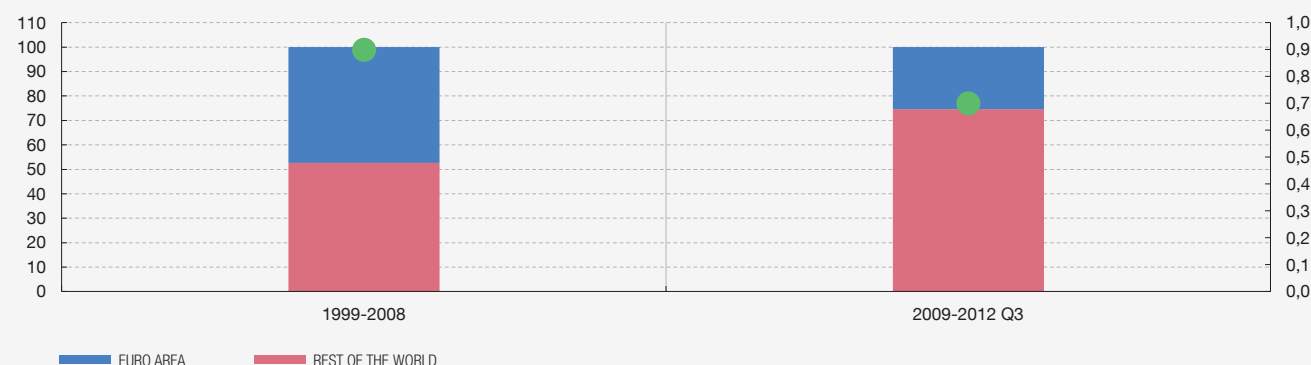
3 In the same period the weight of exports to the euro area diminished by 7.5 pp, while those in Asia increased by 2.3 pp to 8.4%. In this last case, despite the increase, exports continue to be lower than would be warranted by the characteristics of both markets.

4 Some papers find that, in Spain, national demand negatively influences export volumes. See C. Martínez-Mongay and L.Á. Maza (2009): "Competitiveness and growth in the emu: the role of the external sector in the adjustment of the Spanish economy". *Economic Papers*, no. 355, European Economy.

5 The provisional data for the January-October 2012 period would indicate that the number of exporting firms continued increasing in that period, at a year-on-year rate of 12%, similar to that recorded over the whole of 2011.

6 As the same company can export to more than one area, the sum of companies per area is greater than the total.

2 CONTRIBUTIONS TO GDP GROWTH. GOODS EXPORTS. EURO AREA / REST OF THE WORLD (%) (a)



SOURCE: Own estimate drawing on Customs data.

a The circles represent the annual average contribution of goods exports to GDP growth in pp (right-hand scale).

THE ROLE OF GEOGRAPHICAL DIVERSIFICATION IN THE BUOYANCY OF SPANISH GOODS EXPORTS DURING THE ECONOMIC CRISIS (cont'd)

is even higher in the case of firms exporting to Africa and Asia, standing at 32% and 25% of the total in 2011, respectively, compared with 30% and 22% in 2007.⁷ Some countries in these areas (namely, Brazil, China, India, Algeria and Morocco) come under the comprehensive market development plans set in train by the Spanish government to promote trade and economic relations with specific nations.

Despite the greater geographical diversification of the export base attained in recent years, the euro area remains the main destination for our exports. Indeed, 53% of our total sales abroad in 2011 went to the euro zone, although only 22% of our exporting firms sold their products in this area. Conversely, and despite the high

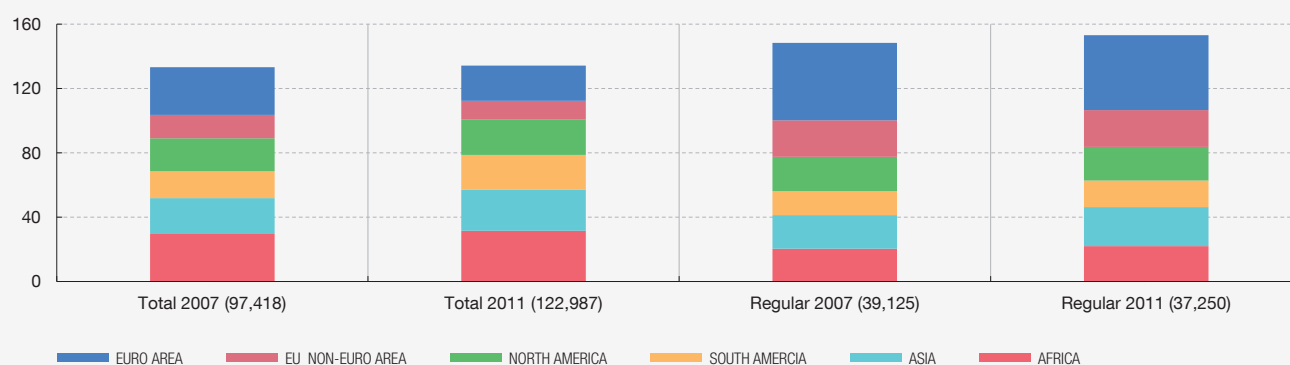
number of companies exporting to South America, Africa and Asia, sales of goods to these areas continue to have a very small weight in our total exports (4.2%, 5.4% and 7.9%, respectively, in 2011). This result may be indicative of the fact that Spanish companies are having difficulty consolidating their presence in these markets once they begin to export to them. Empirical international evidence finds a positive relationship between the duration of a trade link – stability – and the volume of exports that the company earmarks for those markets.⁸ On ICEX information, the companies that regularly export (30.3% of the total in 2011)⁹, and which concentrate the bulk of the volume exported (91.5% of the total that year), show a lower geographical diversification than that of the total for the export base. Specifically, of the companies exporting to the euro area in 2011, around 65% did so regularly, compared with 23% in the case of Latin America, 21% for Africa and 29% for Asia. These low percentages denote high potential for further taking advantage

7 In Africa, by country of destination, Morocco (almost 50% of Spanish companies exporting to Africa do so to this country) and Algeria (10%) stand out. There are also other countries to which Spanish goods exports have grown considerably. Specifically, goods sales to Tunisia, Libya, Egypt, Nigeria and Sudan posted rates of more than double figures in the first ten months of 2012. Regarding the number of firms, the ICEX information does not include these countries.

8 T. Besedes and T.J. Prusa (2010): "The Role of Extensive and Intensive Margins and Export Growth", NBER WP series, no. 13628.

9 A regular exporter is one that has done so for the past four years running.

3 NUMBER OF EXPORTING FIRMS (a) (% of total)



SOURCES: ICEX drawing on Customs data.

a A firm can export to more than one area or country; accordingly, the sum of the percentage of firms exporting to the different areas is greater than 100.

RECENT DEVELOPMENTS IN SPANISH CROSS-BORDER FINANCIAL FLOWS

Since mid-2011, the Spanish economy has been seriously affected by the various episodes connected with the heightening of the euro area sovereign debt crisis. International investors' worsening perception of the sustainability of Spanish public finances and the soundness of its financial system has been reflected in the changes in net financing by the rest of the world raised by resident sectors other than the Banco de España (BE), which posted a negative sign and for a very high amount for the twelve-month period to July 2012. The latest data show a change in this trend, set against the easing of financial tensions discussed in the "Overview" in this Bulletin.

As can be seen in Panel 1, in 12-month cumulated terms, net outflows from the Spanish economy, excluding the BE, peaked in July 2012 (at €331 billion, 31% of Spanish GDP). The funds needed to offset these movements and cover the economy's net borrowing were obtained through a substantial increase (€359 billion) in BE foreign liabilities.

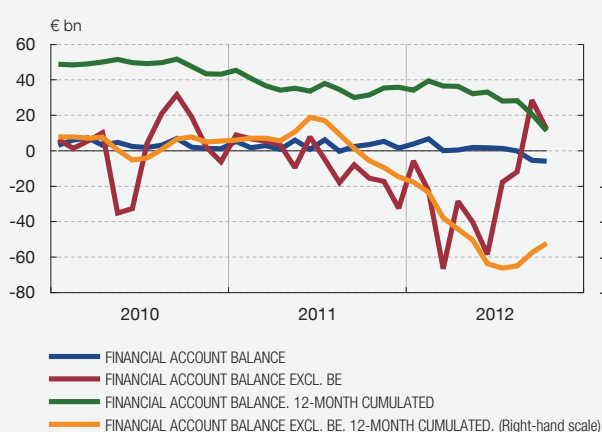
The breakdown by instrument (see Panel 2) reveals that net capital outflows from July 2011 to July 2012 were concentrated in portfolio investment and "other investment", which essentially includes

interbank deposits. These net outflows were fundamentally the result of divestment by the rest of the world from the Spanish economy (€292 billion) and only marginally of investment by resident sectors in foreign assets (€44 billion) (see Panel 3).

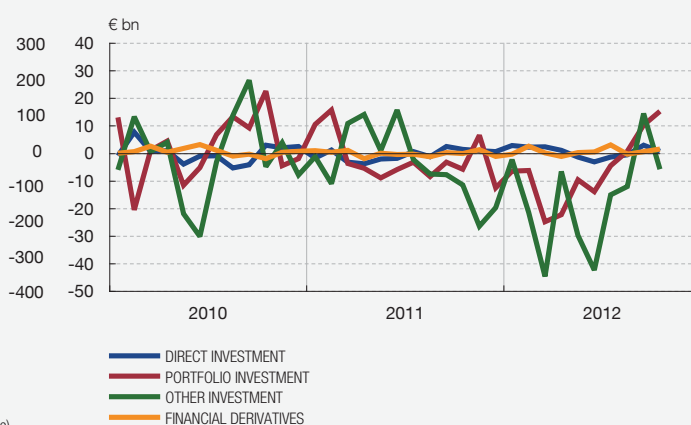
Divestment under the portfolio and other investment headings by non-residents in Spain resulted in similar amounts (€152 billion and €166 billion, respectively). In the first instance, holdings of securities issued both by the so-called "other monetary and financial institutions"¹ (OMFIs) and by general government and Other resident sectors (ORSs) diminished. Under other investment, the fall in the asset-side positions of the rest of the world were concentrated in OMFIs, and specifically in interbank deposits (including transactions settled through central counterparties), the reduction in which would be partly linked to the opportunity that the extraordinary Eurosystem tenders involved, with terms and costs more fa-

1 These include monetary and financial institutions other than the central bank.

1 FINANCIAL ACCOUNT



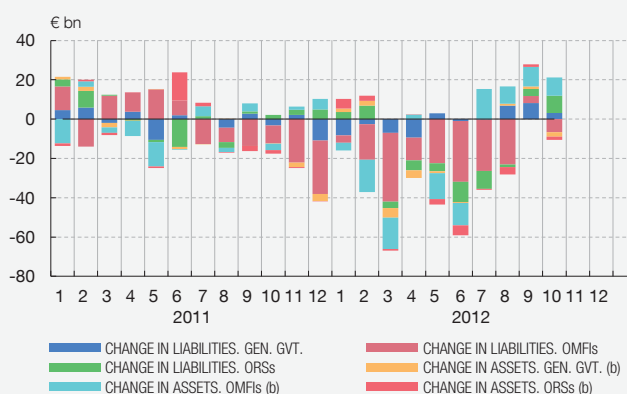
2 FINANCIAL ACCOUNT (EXCL. BE) BY SUB-ACCOUNT



3 FINANCIAL ACCOUNT EXCL. BE (a)



4 FINANCIAL FLOWS FROM ABROAD. SECTORAL BREAKDOWN



SOURCE: Banco de España.

- a Financial derivatives are recorded as a net balance of net amounts and are assigned to the net change in assets.
b The change in assets held in the rest of the world by resident agents is depicted with the sign changed. It does not include the change in financial derivatives.

vourable than those prevailing on the market. Hence, as Panel 2 shows, there were particularly heavy declines in the months in which these tenders were allotted (December 2011 and March 2012), although they also continued in the following months, against the background of the heightening financial tensions.

With regard to changes in foreign assets, although resident agents continued to reduce their portfolio holdings of foreign securities, as they have been doing more or less continuously since mid-2007, the flow of funds routed through this channel (€39 billion) was less than the outflow of funds associated with the acquisition of assets encompassed under “other investment” (€70.5 billion). The bulk of this latter outflow was centred on the OMFIs sector, partly as a consequence of the activity of foreign banks located in Spain, which had also taken advantage of the extraordinary Euro-system tenders to obtaining funds in our country, subsequently channelling them abroad (foreseeably to their parents). Investment in deposits by the other sectors in the rest of the world, including households and non-financial corporations, was, by contrast, fairly moderate.

Net capital outflows (excluding once more flows channelled through the BE) eased in August, and in the two following months (the latest data available) the economy raised funds from abroad for a net cumulative amount of €41 billion. This arose, in virtually equal proportions, both from the pick-up in foreign investment in the Spanish economy, which was positive for the first time since June 2011, and from a disposal of foreign assets held by resident sectors. Further, as can be seen in Panel 4, in September all the sectors raised funds from abroad, which had not occurred since April 2011, and in October all did so again, except the OMFIs. In

terms of instruments, the recovery was centred on portfolio investment (€25.6 billion), while flows channelled through other investment and direct investment were also positive, but for much more moderate amounts (€8.9 billion and €3.9 billion). The acquisition of securities issued by general government and ORSs by non-residents turned positive, while resident agents once again unwound positions in the rest of the world. Direct investment (which essentially includes that in shares and other equity holdings, and the financing of related companies and of real estate) by the rest of the world in Spain was also positive, and was concentrated in ORSs, while that by residents abroad was negative, as a result of divestment by MFIs greater than the positive flow this item evidenced for ORSs. In September, net funds raised via other investment (€14.5 billion) was the outcome both of the fall in interbank deposits held by resident OMFIs in the rest of the world and of an increase in foreign agents' deposits in Spanish credit institutions. In October, by contrast, the net amount of funds raised through this channel turned negative (-€5.6 billion).

In sum, the sizeable net capital outflows recorded between mid-2011 and July 2012 in Spain were essentially in response to divestment by the rest of the world in instruments issued by national agents. This phenomenon was a reflection of foreign investors' misgivings about our economy, against a background of high financial tensions, which hampered the rolling over of funds lent. The subsequent easing in tensions has been conducive to a return by foreign investment to our shores, which shows some recovery in the rest of the world's confidence in our economy. In combination with the generation of net lending capacity by our economy in recent months, this return by investors is providing for a decline in the BE's external liabilities.

SPANISH NON-FINANCIAL CORPORATIONS' DEBT SINCE THE START OF THE CRISIS. A DISAGGREGATED ANALYSIS

The authors of this article are Álvaro Menéndez and María Méndez of the Directorate General Economics, Statistics and Research.

Introduction

During the expansionary phase before the crisis began, there was a marked increase in Spanish non-financial corporations' indebtedness. This led debt, in terms of GDP, to stand at very high levels both historically and in comparison with other developed countries. The need to redress the excessive volume of these liabilities, along with the lower demand for funds attributable to the decline in investment plans and tighter supply-side financing conditions, first prompted a swift slowdown in corporations' borrowed funds and later led to an actual contraction in these liabilities. Specifically, the financial accounts information shows how the level of debt¹ in the non-financial corporations sector peaked in 2009 Q2. The cumulative fall from then to end-2011 stands at 4%. This trend has continued in 2012, raising the cumulative decline to 7.4% according to figures for 2012 Q3 (the latest available).

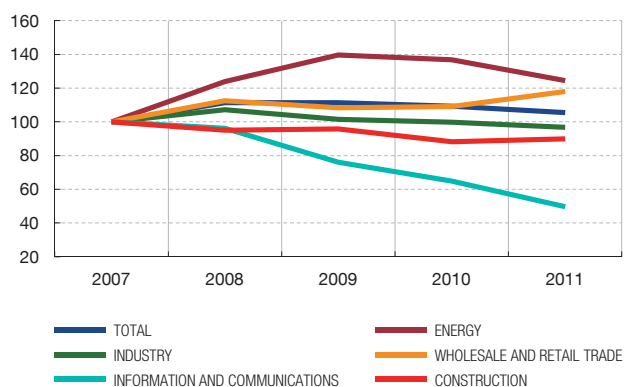
This article analyses debt levels in the non-financial corporations sector in recent years from a microeconomic perspective, with a view to identifying potentially different behavioural patterns (by sector, size and based on the degree of leverage) that cannot be detected in the aggregate information. It also studies to what extent debt levels may affect corporations' employment and investment decisions. To do so, it uses the Central Balance Sheet Data Office's CBA and CBB databases, from which two samples of corporations have been constructed. The first comprises approximately 180,000 corporations, common to the years 2007 to 2010. For 2011 (the latest year available) a second aggregate has been prepared with those corporations which, having already sent information for that year, also form part of the previous group. In this case the number of corporations is substantially lower (50,000), as it is in a year which is still considered open and for which, therefore, data are not yet being reported. In order to correct the changes in level associated with the different composition of the two samples, the indicators used have been appropriately spliced in this latter year. Furthermore, corporations belonging to the "holdings" sector have been excluded: on one hand, due to their scant significance for the scope of this study, which is more focused on analysing debt developments in the main Spanish productive sectors; and on the other, to the attempt to avoid potential duplications arising from cross-lending between corporations in the same group.

Following this introduction, the article comprises four sections. Section 2 describes developments in corporations' debt and leverage ratios, breaking these down by sector and size. Section 3 analyses the course of these variables on the basis of the corporations' debt levels at the start of the period under study. In the fourth section, a study is made of the extent to which the degree of leverage of the corporations has affected their employment and investment decisions. Finally, section 5 draws the main conclusions.

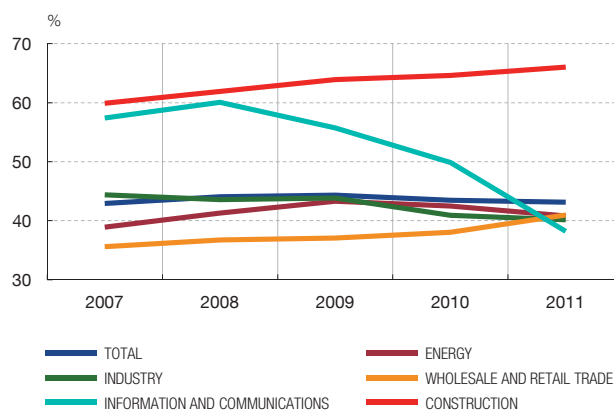
Developments in debt levels and in debt ratios. Breakdown by sector and size

Developments since 2007 in debt levels for the sample as a whole are in line with the financial accounts data. Thus an increase in 2008 gave way to a contractionary pattern from 2009 (see top left panel of Chart 1). The sectoral breakdown reveals, however, significant heterogeneity, perhaps partly related to the initial level of indebtedness (see top right panel of Chart 1). Thus, in the sectors which before the crisis (in 2007) had a leverage

¹ Throughout this article, debt is understood to comprise all interest-bearing borrowed funds, such as bank lending and fixed-income securities.

1 LEVEL OF DEBT BY SECTOR
2007 = 100

2 DEBT RATIO BY SECTOR (b)

3 LEVEL OF DEBT BY SIZE
2007 = 100

4 DEBT RATIO BY SIZE (b)



SOURCE: Banco de España.

- a The data for 2011 are linked drawing on the changes recorded in the sample of corporations for this year
 b Ratio defined as total interest-bearing debt/net assets.

ratio² above the overall sample average (such as construction, information & communications and, to a lesser extent, manufacturing), borrowed funds tended to decrease. By contrast, in the other sectors, whose initial debt ratios were more moderate, these liabilities were more buoyant, to the point that they increased notably in the energy sector until 2009, although they declined slightly in the ensuing two years.

The developments in debt described above generally gave rise to a progressive reduction in leverage ratios in the productive sectors most indebted at the start of the period analysed and to a certain stabilisation or slight rise in those which started from lower debt ratios. Hence there was a sectoral convergence in this indicator. The exception to this pattern is construction, the debt levels of which fell insufficiently to offset the decline in its net assets (the denominator of the ratio), associated with the sizeable cumulative losses of these companies, and, as a result, the leverage ratio tended to pick up.

The breakdown by company size showed some differences in debt and leverage ratio behaviour depending on this characteristic (see bottom panels of Chart 1). Thus, although

2 The leverage ratio used in this article is defined as the ratio of interest-bearing debt to net assets (total assets minus non-interest-bearing external liabilities).

in 2008 borrowed funds tended to grow at large corporations and SMEs, the rise at the latter was more moderate. From that year, the debt of smaller companies progressively declined in a cumulative fall of 7% to end-2011 from its peak in 2008, which took it below its level in 2007. This pattern of behaviour has not been uniform across sectors, since it was in construction where the falls were sharpest, while in others, such as wholesale & retail trade, borrowed funds remained practically unchanged or even rose slightly, as in information & communications.

In the case of larger firms, debt began to decline a year later (2010) and the cumulative fall from then until end-2011 was 4.9%. Unlike with SMEs, this contraction did not offset the increase in the previous two years, so in the whole of the period analysed these liabilities rose with respect to 2007. The breakdown by productive sector shows a certain heterogeneity, with large falls in construction and manufacturing and even sharper cutbacks in information & communication, and increases at the large firms of the wholesale & retail trade and energy sectors (although in this latter case borrowed funds decreased in 2011).

The lesser dynamism of the debt of SMEs compared with that of large firms in recent years may be partly related to the greater impact of the crisis on the economic and financial situation of SMEs, which explains their greater difficulty in accessing fresh borrowed funds. Thus the informations in the CBSO databases reveals a sharper fall in the indicators of activity and economic results for SMEs than for large firms.³

These developments saw the debt ratio of SMEs move on a declining course from 2008 (see the bottom right-hand panel of Chart 1). At larger corporations this indicator increased from 2007 to 2009, falling back in subsequent years, albeit at an insufficient pace to offset the prior increase; accordingly, in 2011 it stood slightly above its level just before the start of the crisis.

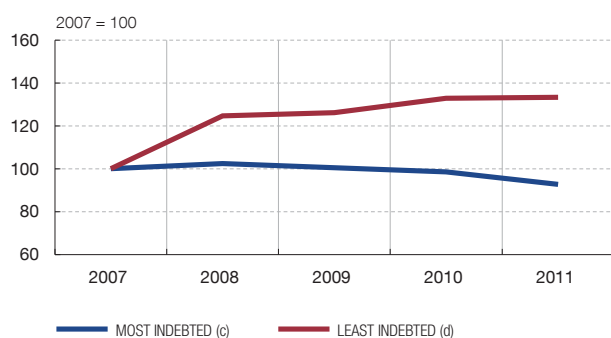
Developments in debt on the basis of the initial level of indebtedness

To study the extent to which changes in corporations' borrowed funds during the recent period are related to the starting level of debt, the corporations in the sample have been separated into two groups, depending on whether in 2007 their leverage ratio was higher or lower than the median for their sector. This definition ensures that the two groups are made up of the same number of corporations from the various productive sectors, preventing the findings from being influenced by the different sectoral composition of the samples.

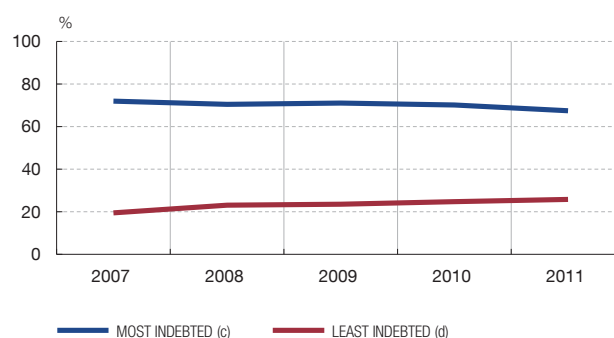
The results obtained show that there appears to be a connection between the initial level of debt and the course subsequently followed by financing. Thus, as can be seen in the top left-hand panel of Chart 2, the corporations whose leverage ratio in 2007 was below the median for their sector considerably increased their resort to borrowed funds during the period under analysis. As a result, in this aggregate the level of debt increased by more than 33% on the initial situation up to 2011. Conversely, at more indebted companies, there were reductions in debt of almost 10% from the peaks recorded in 2008. Consequently, some convergence was seen in leverage ratios between the two groups of corporations. Thus, in the case of the more indebted corporations, for which this ratio was 72% in 2007, there was a reduction of somewhat less than 5 pp to 67.4% in 2011. In the opposite direction, in the aggregate of corporations that had a low initial level of debt, this ratio grew throughout the period, ultimately posting a figure of 25.8%, more than 6 pp up on 2007.

³ See Box 1 of the article "Results of non-financial corporations in 2011 and in the first three quarters of 2012", *Economic Bulletin*, November 2012, Banco de España.

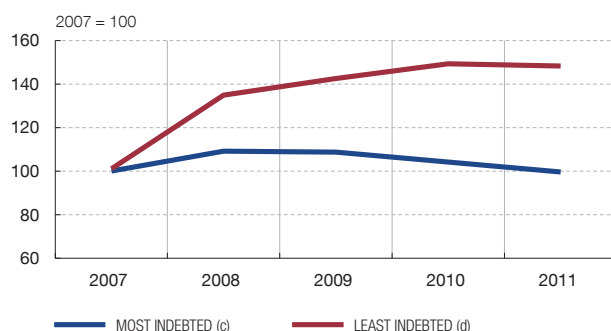
LEVEL OF DEBT. FULL SAMPLE



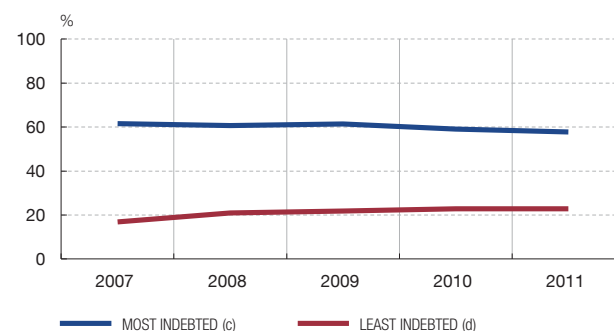
DEBT RATIO. FULL SAMPLE (b)



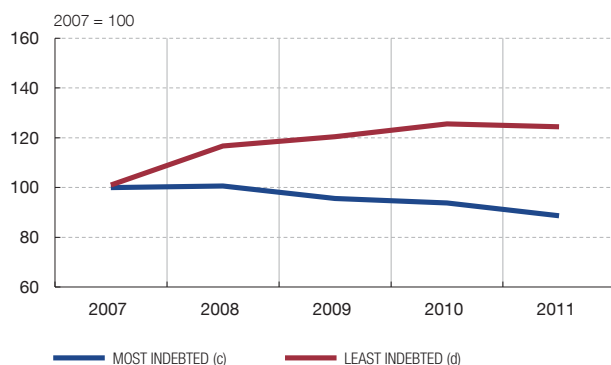
DEBT LEVEL OF LARGE CORPORATIONS



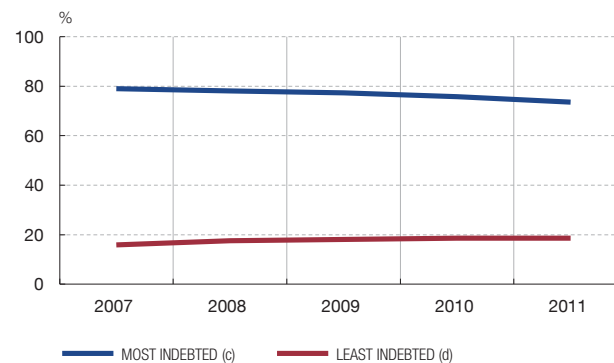
DEBT RATIO OF LARGE CORPORATIONS (b)



LEVEL OF DEBT OF SMEs



DEBT RATIO OF SMEs (b)



SOURCE: Banco de España.

a All the data for 2011 are linked.

b Ratio defined as total interest-bearing debt/net assets.

c Corporations whose debt ratio is greater than or equal to the median ratio of the sector to which they belong.

d Corporations whose debt ratio is less than the median ratio of the sector to which they belong.

Disaggregating on the basis of size, similar conclusions are reached to those observed in the sample as a whole (see the centre and bottom panels of Chart 2). Thus, in the case of large corporations and SMEs alike, in the group showing a higher level of initial debt there were declines in debt levels, these being more pronounced for smaller corporations, which posted a cumulative decline to 2011 of 11.9% from their peak in 2008, compared with the fall of 8.8% observed during the same period for more indebted corporations of a larger size. The sharper contraction in these funds at the more indebted SMEs may be related both to the more marked impact of the crisis on this segment and to the greater need to

adjust balance sheets derived from their higher initial leverage, which stood in 2007 at 80%, almost 20 pp above the figure for large corporations in this same situation. Set against this, at both SMEs and large corporations, those departing from a lower proportion of borrowed funds on their balance sheets at the start of the period increased their debt over the course of recent years, although growth was more significant at the bigger corporations. As a result of the developments described for these liabilities, the differences between the leverage ratios of the most and least indebted corporations narrowed both at large companies and at SMEs.

Implications of debt for employment and investment

From 2008 to 2011, Spanish non-financial corporations were strongly affected by the economic crisis. This made for a notable deterioration in their productive activity, giving rise to a sizable contraction in employment, and it influenced their investment decisions considerably. As can be seen in the left-hand panels of Chart 3, the adjustment in staffing was sharper for corporations starting from higher debt levels. Thus, for the latter the reduction in average staff numbers climbed to 11.6% over the whole of the period analysed, while in the aggregate of less indebted corporations the decline was 9.6%.

Distinguishing between corporations in terms of size, the adjustment in employment can be seen to have been more acute at SMEs, in line with the greater impact of the crisis for this type of corporation. Within this segment, those starting with a higher level of debt were those that underwent the biggest staff cuts, with a cumulative fall of over 18% in the period analysed. Although at SMEs with a sounder initial financial situation there was also a notable reduction in employees, this decline was somewhat more moderate, with numbers 15% down compared with their level in 2007. This same differential behaviour based on the initial degree of leverage is seen at larger corporations.

As regards the pursuit of investment activity (measured by the flow of tangible gross fixed capital formation divided by the stock of net assets at the start of each period⁴), it can be seen how, from 2008, this variable progressively lost momentum (see the right-hand panels of Chart 3). By making a distinction based on the weight of borrowed funds in balance sheets, and as was observed when analysing employment, it is seen how corporations with a greater degree of leverage showed a sharper deterioration in the pace of their investment compared with those with less debt.

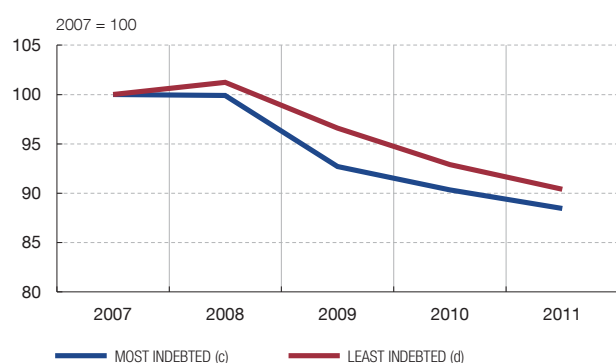
Dividing the sample on the basis of the size of corporations shows, firstly, that the reduction in investment activity was considerably greater at SMEs. That illustrates once again how this type of corporation was comparatively more affected by the crisis. Moreover, within this segment, those firms starting from higher debt levels underwent a sharper decline in investment than that at other SMEs, leading them even to post a negative value last year. Likewise, at large, less indebted corporations, the loss of momentum in investment was comparatively more moderate than at those with high leverage, and they have been capable of maintaining a higher investment ratio level in recent years.

Conclusions

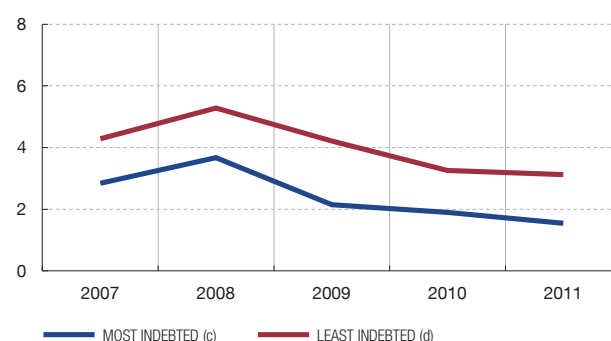
The results of this article illustrate the presence of high heterogeneity in the recent course of corporations' debt when taking as a basis characteristics such as the sector of activity, size and financial position of the firms. Specifically, the evidence shows how the process of deleveraging begun in 2009 is proving more intense than may be inferred from the

⁴ In the case of the CBB corporations, the concept of gross fixed capital formation has, in the absence of sufficient information, been proxied by the difference in the balance sheet stocks of tangible fixed assets, adjusted for their annual depreciation.

1 EMPLOYMENT. FULL SAMPLE



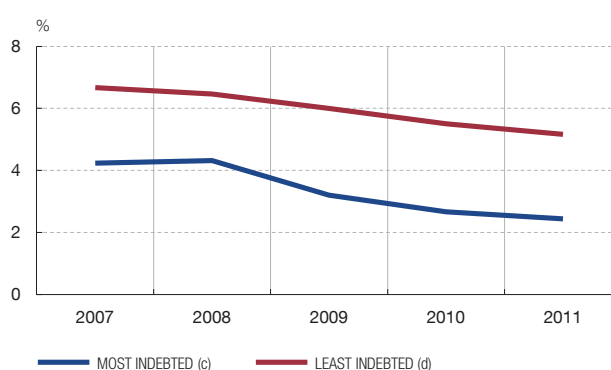
2 GCF/NA. FULL SAMPLE (b)



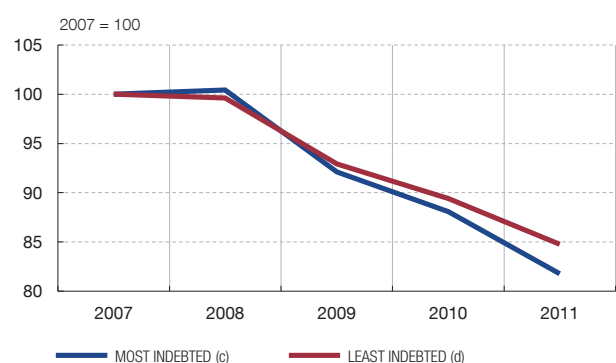
3 EMPLOYMENT. LARGE CORPORATIONS



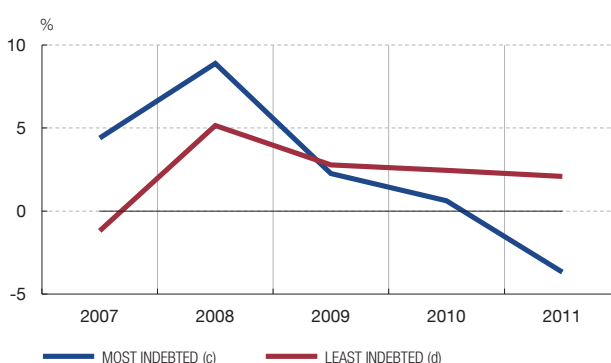
4 GCF/NA. LARGE CORPORATIONS (b)



5 EMPLOYMENT. SMEs



6 GCF/NA. SMEs (b)



SOURCE: Banco de España.

- a The data for 2011 are linked drawing on the changes recorded in the sample of corporations for this year.
 b Ratio defined as gross capital formation/net assets.
 c Corporations whose debt ratio in 2007 was greater than the median ratio of the sector to which they belong.
 d Corporations whose debt ratio in 2007 was less than or equal to the median ratio of the sector to which they belong.

aggregate data and that it is concentrated, as might be expected, on corporations that had greater restructuring needs owing to the fact their debt had reached higher levels. This development is consistent, however, with greater external borrowing by corporations with a sounder initial financial position, corporations that might even have increased their resort to external funding during the period analysed, having greater leeway to do so and being perceived, on the whole, as more solvent by lenders.

The evidence presented also shows how corporations at which the weight of external borrowing in their balance sheet was higher before the crisis have fared more unfavourably in terms of staffing and investment in tangible fixed assets. This suggests that corporations with higher debt levels have been comparatively more affected in their activity since they are more vulnerable to adverse shocks, showing greater adjustment and restructuring needs.

10.1.2013.

The author of this article is Juan Carlos Casado Cubillas, of the Directorate General Economics, Statistics and Research.

Introduction

As has come to be the pattern in the final months of the year, a considerable number of financial provisions were published in 2012 Q4. This article aims to summarise them.

The European Central Bank (ECB) adopted four guidelines: one updating some of the eligibility criteria for the use of assets as collateral for Eurosystem monetary policy procedures and instruments; a second making temporary changes to the eligibility of new collateral assets in monetary policy operations; a third regulating the statistics on institutional sectors' holdings of securities issued by euro area residents; and a fourth defining the standards for the management of the centralised securities database.

Legislation has been published in several areas affecting credit institutions, including measures to restructure balance sheets affected by the impairment of assets in the property sector; regulations on the new framework for the restructuring and resolution of institutions, and other changes in the financial area; regulations on asset management companies and bank asset funds; the definition of the provisions that have to be set aside to meet minimum core capital requirements; and changes to public and confidential financial information reporting rules.

The regulations on the procedures whereby users of financial services can file complaints and claims or make enquiries to the relevant complaints services have also been published.

The regulations on cooperation agreements between investment funds specialising in government debt have been updated.

The new legislation to step up measures to combat and prevent fraud, and creating new obligations to disclose foreign assets and interests, also includes a number of points of relevance from the financial and fiscal point of view.

Two pieces of legislation were enacted in relation to the securities market: one to amend the regulations on the prospectus and transparency requirements for securities issues, and a second on greenhouse-gas emission allowance auctions.

Finally, a summary is given of the new financial and fiscal regulations in the 2013 State budget, in the Law on tax measures aimed at consolidating the public finances and stimulating economic activity, and the urgent measures to strengthen the protection of mortgage debtors.

The contents of this article are set out in Table 1.

European Central Bank: amending the guidelines on monetary policy instruments and procedures of the Eurosystem

Guideline ECB/2012/25 of 26 November 2012 (OJEU of 18 November 2012), amending Guideline ECB/2011/14 of 20 September 2011¹ on monetary policy instruments and procedures of the Eurosystem.

¹ See "Financial regulation: 2011 Q4," *Economic Bulletin*, January 2012, Banco de España, p. 113.

1	Introduction
2	European Central Bank: amending the guidelines on monetary policy instruments and procedures of the Eurosystem
2.1	Common collateral eligibility criteria
2.2	Additional eligibility criteria applicable to asset-backed securities
2.3	Additional eligibility criteria applicable to covered bonds
2.4	Rules on the use of eligible assets
2.5	Performance monitoring of credit assessment systems
2.6	Financial penalties
3	European Central Bank: temporary changes to the collateral eligibility criteria for monetary policy operations
4	European Central Bank: statistics on securities portfolios
4	Statistical reporting obligations
4.2	Derogations
4.3	Timeliness
4.4	Other aspects of the regulation
5	European Central Bank: Centralised Securities Database
5.1	Subject matter and scope
5.2	DQM competent authorities
5.3	DQM objectives, metrics and thresholds
5.4	Annual quality report
6	Write-downs and sales of the financial sector's real estate assets and other measures affecting the financial sector
6.1	Measures to clean up credit institutions' balance sheets
6.2	Credit institution integration processes
6.3	Asset management companies
6.4	Taxation of asset transfers to asset management companies
6.5	Preference shares and other instruments in circulation
6.6	Amendment of the legislation concerning legal tender banknotes and coins
6.7	Renewal and dismissal of the governing bodies of the Banco de España
6.8	Exceptional regime for the remuneration of members through the credit cooperatives' Compulsory Reserve Fund
7	Restructuring and resolution of credit institutions: new financial provisions and other changes
7.1	Main provisions of Royal Decree-Law 24/2012 of 31 August 2012, included in Law 9/2012
7.1.1	Management of crises affecting credit institutions
7.1.2	Strengthening of the powers of the FROB
7.1.3	Burden sharing system for the costs of institution restructuring or resolution
7.1.4	Asset management companies
7.1.5	Strengthening the protection of retail investors
7.1.6	New core capital requirements
7.1.7	Transfer of powers to the Banco de España
7.1.8	New functions of the bank deposit guarantee fund
7.1.9	Changes to the securities market legislation regarding the prospectus accompanying securities issues
7.2	Other changes to financial legislation introduced by Law 9/2012
7.2.1	Changes regarding the transformation of savings banks into special foundations
7.2.2	Granting of special credit for the recapitalisation of credit institutions
7.2.3	CNMV: new powers

8	Asset management companies
8.1	General framework
8.2	Transfer of assets
8.2.1	Value adjustment criteria
8.2.2	Transfer value of assets
8.3	Sanctions and supervision regime
8.4	Asset Management Company for Assets Resulting from Bank Restructuring (SAREB)
8.4.1	Legal regime
8.4.2	Transfer of assets
8.4.3	General obligations for transparency and the formulation of annual accounts
8.4.4	Taxation
8.5	Bank Asset Funds (BAF)
8.5.1	Legal framework
8.5.2	Securitisation management funds
8.5.3	Rules on the transfer of assets and liabilities
8.5.4	Securities issues
8.5.5	Merger and division
8.5.6	Reporting obligations
8.5.7	Taxation of BAFs
9	Credit institutions: minimum core capital requirements
9.1	Equity items eligible as core capital
9.2	Deductions from equity items eligible as core capital
9.3	Periodic information on core capital
10	Credit institutions: modifications to the rules on public and confidential financial information
10.1	Increased provisioning of real-estate assets
10.2	Minimum transparency requirements for assets foreclosed or received in payment of debt
10.3	Information on refinancing, refinanced and restructured operations
10.4	Information on customer financing
10.5	Information on risk concentration
10.6	Other changes
11	Complaints service: complaint submission procedure
11.1	One-stop shop
11.2	Parties eligible to formulate complaints, claims and enquiries
11.3	Submitting complaints and claims
11.4	Enquiry procedure
12	Cooperation agreements in relation to government debt investment funds: updating of regulations
13	Changes to the regulations stepping up efforts to prevent and combat fraud
13.1	Restrictions on cash payments
13.2	Foreign accounts, securities, and property assets
13.3	Amendment of the Securities Market Law
13.4	Changes to the General Tax Law
13.5	Changes to direct taxation
13.6	Changes in indirect taxation

14	Obligation to disclose foreign assets and interests, and other changes to tax law
14.1	Changes in the financial area
14.1.1	Obligation to report accounts with financial institutions located abroad
14.1.2	Obligation to report securities, rights, insurance policies and income deposited, managed or obtained abroad
14.1.3	Disclosure requirement regarding foreign immovable property and interests therein
14.2	Changes in taxation
15	Securities market: amendment of the legislation on the prospectus and transparency requirements for securities issues
15.1	Changes to the prospectus when securities are admitted to trading
15.2	Changes to the prospectus for the public offer for sale or subscription
15.3	New transparency requirements concerning issuer information
16	Securities market: auctioning of greenhouse gas emission allowances
17	State Budget for 2013
17.1	Amendment of Law 13/1994 of 1 June 1994, on autonomy of the Banco de España
17.2	State debt
17.3	Amendment to the legislation on pension schemes and funds
17.4	Changes in taxation
18	Tax measures to consolidate the public finances and stimulate economic activity
18.1	Tax on deposits with credit institutions
18.2	Special tax rules applicable to credit institution restructuring and resolution operations
18.3	Changes to the legislation on listed real-estate investment companies (SOCIMI)
18.4	Other taxes
19	Urgent measures to strengthen the protection of mortgage debtors
19.1	Suspension of evictions of particularly vulnerable groups from their primary residence
19.2	Social housing fund

The Guideline updates a number of points regarding eligibility criteria for collateral such as asset-backed securities and covered bonds, the performance monitoring data on credit assessment systems, and the calculation of financial penalties for non-compliance with counterparty obligations.

COMMON COLLATERAL ELIGIBILITY CRITERIA

The common requirements for marketable securities to be eligible for Eurosystem monetary policy operations have been revised, in particular as regards coupon definitions.

As before, these assets must be debt instruments having coupons that cannot yield a negative cash flow. Henceforth, these may be: 1) fixed, zero and multi-step coupons, i.e. instruments with a predefined coupon schedule and predefined coupon values; 2) flat floating coupons linked to only one index corresponding to a euro money market rate; 3) leveraged and deleveraged floating coupons linked to only one index corresponding to a euro money market rate, or linked to the yield of one euro area government bond that has a maturity of one year or less; or 4) flat inflation-floaters linked to euro area inflation indices, provided they contain no complex structures.²

Eligible coupons should have no issuer optionalities, i.e. they should not allow changes in the coupon definition during the life of the instrument that are contingent on an issuer's decision. Furthermore, any caps or floors must be fixed and pre-determined.

² Under the previous rules only fixed, zero or floating coupons linked to a reference interest rate were allowed.

ADDITIONAL ELIGIBILITY
CRITERIA APPLICABLE TO
ASSET-BACKED SECURITIES

The following coupon structures are expressly excluded: floaters linked to foreign currency interest rates, commodity and equity indices and exchange rates; dual floaters and floaters linked to swap spreads or to another combination of indices, and any kind of ratchet and range accrual coupons, inverse floaters and coupons that depend on a credit rating.

The provision states that covered bonds are not considered asset-backed securities. The requirements that are to be met by cash flow generating assets backing the asset-backed securities are basically unchanged, although some new details have been added.

For asset-backed securities to become or to remain eligible as collateral for Eurosystem monetary policy operations, the Eurosystem requires comprehensive and standardised data on the pool of cash flow generating assets backing the asset-backed security to be submitted by the relevant parties. This data is to be submitted electronically in accordance with Appendix 8 of the Guideline. The appendix also sets out the data submission requirements, such as frequency, deadlines, etc.

In order to be eligible, an asset-backed security must be backed by cash flow generating assets which the Eurosystem considers to be homogeneous, i.e. that cash flow generating assets backing an asset-backed security consist of either residential mortgages, commercial real-estate mortgages, loans to small- and medium-sized enterprises, auto loans, consumer finance loans or leasing receivables.

Asset-backed securities not complying with these requirements will remain eligible only until 31 March 2014.

The Eurosystem reserves the right to request from any relevant third party, e.g. the issuer, the originator or the arranger, any clarification and/or legal confirmation that it considers necessary to assess the eligibility of any asset-backed securities and with regard to the reporting of loan-level data. Non-compliance with these requirements may result in the asset-backed security's ceasing to be eligible.

ADDITIONAL ELIGIBILITY
CRITERIA APPLICABLE TO
COVERED BONDS

As of 31 March 2013 covered bonds will be subject to a number of additional requirements. The cover pool for a covered bond may not contain asset-backed securities, with the exception of asset-backed securities which: 1) comply with the requirements laid down in Directives 2006/48/EC, of the European Parliament and the Council, of 14 June 2006, relating to the taking up and pursuit of the business of credit institutions,³ and 2006/49/EC, of the European Parliament and of the Council, 14 June 2006, on the capital adequacy of investment firms and credit institutions,⁴ in respect of asset-backed securities in covered bonds; 2) are used as a technical tool to transfer mortgages or guaranteed real-estate loans from the originating entity into the cover pool; and 3) were originated by a member of the same consolidated group of which the issuer of the covered bonds is also a member or by an entity affiliated to the same central body to which the issuer of the covered bonds is also affiliated. Covered bonds not complying with the first two of these requirements will remain eligible only until 28 November 2014.

RULES ON THE USE OF ELIGIBLE
ASSETS

Additional rules on use of eligible assets have been introduced, such that all marketable and non-marketable assets can be used in a cross-border context throughout the euro area. This means that all Eurosystem counterparties must be able to use eligible

³ See "Financial regulation: 2006 Q2," *Economic Bulletin*, July-August 2006, Banco de España, pp. 142-144.

⁴ See "Financial regulation: 2006 Q2," *Economic Bulletin*, July-August 2006, Banco de España, pp. 144-146.

assets through links with their domestic securities settlement systems (SSS) in the case of marketable assets or through other eligible arrangements to receive credit from the national central bank (NCB) of the Member State in which the counterparty is established.

Moreover, counterparties may not submit any asset-backed security as collateral if the counterparty (or any third party with which it has close links) provides a currency hedge for the asset-backed security or provides any form of liquidity support for 20% or more of the outstanding amount of that asset-backed security.

Certain obligations on counterparties submitting asset-backed securities which have close links to the originator of the underlying assets of these asset-backed securities have been introduced. The latter must inform the Eurosystem of any planned modification to that asset-backed security that could potentially have an impact on its credit quality, e.g. an alteration in the interest rate due on the notes, a change in the swap agreement, changes in the composition of underlying loans not provided for in the prospectus, or changes to the priority of payments. Moreover, at the time of the asset-backed security's submission, the counterparty must provide information on any modifications occurring in the preceding six months.

PERFORMANCE MONITORING OF CREDIT ASSESSMENT SYSTEMS

The Eurosystem's credit assessment framework (ECAF) has been updated to ensure that marketable and non-marketable assets fulfil the required credit standards. The ECAF performance monitoring process will therefore consist of an annual ex post comparison of: 1) the observed default rates for all eligible entities and instruments rated by the credit assessment system, where these entities and instruments are now grouped into static pools based on certain characteristics, such as credit rating, asset class, industry sector, or credit assessment model; and 2) the appropriate credit quality threshold of the Eurosystem given by the benchmark probability of default.

The two phases of the credit assessment system process have also been revised: The first phase of the process is the annual compilation by the credit assessment system provider of the list of entities and instruments (using the template supplied by the Eurosystem) with credit assessments that satisfy the Eurosystem credit quality threshold at the beginning of the monitoring period. In the second phase, the system provider updates the performance data for the entities and instruments on the list. This will be submitted to the Eurosystem, which reserves the right to request any additional information it may require.

FINANCIAL PENALTIES

The financial penalties for breach by counterparties of the rules on tendering operations, bilateral transactions, use of underlying assets, end-of-day procedures or access conditions for the marginal lending facility have been revised. Penalties were previously calculated by applying a fixed coefficient. This has been changed to a coefficient that varies according to the number of days, up to a maximum of seven, during which the counterparty was in breach of the rules, with a minimum penalty of €500.

The Eurosystem's national central banks (NCBs) are to send the ECB detailed information about the texts and means they propose in order to apply this Guideline. This information is to be received no later than 19 December 2013.

This Guideline came into force on 20 December 2012 and will be applicable as of 3 January 2013.

European Central Bank:
temporary changes to the
collateral eligibility criteria
for monetary policy
operations

Guideline ECB/2012/23 of 10 October 2012 (OJEU of 17 October 2012), amending Guideline ECB/2012/18 of 2 August 2012⁵ on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral.

The new rules temporarily widen the criteria determining the eligibility of assets to be used as collateral in Eurosystem monetary policy operations so as to accept marketable debt instruments denominated in pounds sterling, yen or US dollars, provided they satisfy the following conditions: 1) they are issued and held/settled in the euro area; 2) the issuer is established in the European Economic Area (EEA);⁶ and 3) they fulfil all the other eligibility criteria included in Annex I to Guideline ECB/2011/14 of 20 September 2011 on monetary policy instruments and procedures of the Eurosystem.⁷

The Eurosystem will apply a 16% valuation markdown on assets denominated in pounds sterling or US dollars, and 26% on assets denominated in yen.

The Guideline came into effect on 19 October and was applicable as of 9 November.

European Central Bank:
statistics on securities
portfolios

The ECB also published *Regulation 1011/2012 (ECB/2012/24) of 17 October 2012* (OJEU of 1 November 2012), concerning statistics on holdings of securities.

The European System of Central Banks (ESCB) needs to collect high quality statistical information on a security-by-security basis⁸ regarding securities held by euro area institutional sectors, and securities issued by euro area residents and held by non-euro area institutional sectors. The aim is to provide the ECB with statistical information on the exposure of economic sectors in Eurosystem Member States to specific classes of securities and on the links between holders and issuers of securities in these economic sectors.

STATISTICAL REPORTING
OBLIGATIONS

The actual reporting population will consist of monetary financial institutions (MFIs),⁹ investment funds, financial vehicle corporations (FVCs), custodians¹⁰ and heads of banking groups identified by the Governing Council as reporting groups¹¹ (hereinafter, 'actual reporting agents').

These agents will provide their respective NCBs with security-by-security data on the positions and financial transactions, or alternatively, the statistical information necessary to

5 This Guideline temporarily made certain new assets eligible as collateral in Eurosystem monetary policy operations. Specifically, it widened the range of asset-backed securities, loans and certain bank obligations guaranteed by a Member State. See "Financial regulation: 2012 Q3," *Economic Bulletin*, October 2012, Banco de España, pp. 1-5.

6 The EEA was created on 1 January 1994 following an agreement between European Union Member states and the European Free Trade Area (EFTA). Its creation allowed EFTA's countries to participate in the EU's internal market without being members of the EU. It comprises the 27 EU countries plus the following EFTA members: Iceland, Liechtenstein and Norway.

7 The ECB has established, maintains and publishes a list of eligible marketable assets. The eligibility criteria that are applied to determine the eligibility of other marketable assets are listed in section 6.2.1 of Annex I to Guideline ECB/2011/14.

8 'Security-by-security' data collection means the collection of data is broken down into individual securities.

9 MFIs include credit institutions (CIs) and money market funds (MMFs).

10 Custodians are entities undertaking the safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management.

11 The Governing Council of the ECB may decide that a banking group is a reporting group if the banking group has consolidated balance sheet assets: 1) greater than 0.5% of the total consolidated balance sheet assets of the European Union banking groups, or 2) equal to or below the 0.5% threshold, in cases where the banking groups meet certain quantitative or qualitative criteria that make them important for the stability and functioning of the financial system in the euro area.

calculate the latter, with regard to their own securities holdings.¹² These data are to be reported on a quarterly or monthly basis in accordance with the instructions laid down by the relevant NCBs.

DEROGATIONS

NCBs may grant derogations to actual reporting agents when their total holding of securities with an ISIN code by resident investors has a value of €40 billion or less, provided that certain conditions are met in each case.

NCBs may exempt credit institutions from reporting requirements when the position these institutions hold is not more than 5% of the total value of securities held by credit institutions in the relevant euro area Member State. This threshold may be raised to 15% for the first two years. In the case of money market funds and financial vehicle corporations, this threshold may not exceed 2% of the total holdings of securities by such institutions in the relevant Member State.

The actual reporting agents may choose not to make use of derogations granted by the NCBs but to fulfil the full reporting requirements instead. In such cases, should the agents concerned subsequently wish to apply this derogation, the prior authorisation of the NCB will be required.

Holdings of securities are to be reported on a gross basis at nominal value, although market values may also be reported.

TIMELINESS

NCBs shall decide when they need to receive data from actual reporting agents so they are able to perform the necessary quality controls and meet the deadlines for NCBs to forward data to the ECB.

NCBs are to forward quarterly data to the ECB by close of business on the 70th calendar day following the end of the quarter.

There are two options for monthly data: 1) on a quarterly basis for the three months of the reference quarter, by close of business on the 63rd calendar day following the end of the quarter to which the data relate, or 2) on a monthly basis for each month of the reference quarter by close of business on the 63rd calendar day following the end of the month to which the data relate.

Finally, NCBs are to forward the information supplied by heads of banking groups according to the following timetable: 1) from 2013 to 2015, on the 70th calendar day following the end of the quarter to which the data relate; and 2) from 2016, on the 55th calendar day following the end of the quarter to which the data relate.

OTHER ASPECTS OF THE REGULATION

The regulation establishes the minimum information reporting requirements and provides for the verification and compulsory data gathering rights that may be exercised by the NCBs when the actual reporting agents do not fulfil the minimum reporting standards, without prejudice to the ECB's right to collect this information itself.

The first reporting pursuant to this Regulation will be that relating to the reference period December 2013. The Regulation entered into force on 21 November 2012.

¹² The ISIN code is an international 12-character alpha-numerical identification code uniquely assigned to securities issues.

**European Central Bank:
Centralised Securities
Database**

The ECB published *Guideline ECB/2012/21 of 26 September 2012* (OJEU of 7 November 2012) on the data quality management framework for the Centralised Securities Database.

The Centralised Securities Database (CSDB) is a single information technology infrastructure, which is operated jointly by the members of the European System of Central Banks (ESCB), together with national central banks (NCBs) of Member States outside the Eurosystem that participate voluntarily.

Data are collected from various sources (particularly in the case of data regarding securities, issuers and prices) including NCBs, certain commercial data providers, government and other public domain sources. The CSDB system is able to reconcile partially inconsistent input data from different sources, and can detect incomplete or missing data. As far as possible, it automatically compounds input data from various overlapping sources into a complete and high quality single record.

SUBJECT MATTER AND SCOPE

The Guideline establishes a framework for data quality management (DQM)¹³ in the CSDB, the aim of which is to ensure the completeness, accuracy and consistency of the CSDB's output data¹⁴ by consistently applying rules on quality standards. Management of the CSDB also relies on data source management (DSM).¹⁵

DQM COMPETENT AUTHORITIES

The NCB of the euro area Member State in which a security issuer is resident will be competent for the DQM of the data concerning that issuer. The ECB will be competent for the DQM of data related to issuers resident outside the euro area, unless a non-euro area NCB has agreed to take responsibility for conducting DQM for data concerning issuers resident in its Member State.

**DQM OBJECTIVES, METRICS
AND THRESHOLDS**

The CSDB's DQM framework must be applied to output data irrespective of their source. This framework includes: 1) DQM targets that represent indicators for assessing the quality of output feed data; 2) DQM metrics that identify and prioritise, for each respective DQM target, the output feed data that need to be verified; and 3) DQM thresholds that define the minimum level of verification that needs to be conducted in relation to a DQM target.

Since the CSDB is operated jointly by all ESCB members, they should all aim to follow the same DQM standards. Non-euro area NCBs are to design and implement all the measures that they deem appropriate in order to perform DQM in accordance with this Guideline.

DQM competent authorities are to verify the output feed data by applying DQM metrics in accordance with Annex I¹⁶ and Annex II¹⁷ of the Guideline.

ANNUAL QUALITY REPORT

Taking the views of the ESCB Statistics Committee into account, the Executive Board of the ECB will report annually to the Governing Council on the quality of the output feed

¹³ DQM means ensuring, verifying and maintaining the quality of output feed data through the use and application of DQM targets, DQM metrics, DQM thresholds and the DQM workflow.

¹⁴ Output data are automatically derived in the CSDB by compounding input data into a complete, high quality single record.

¹⁵ DSM means identifying and correcting directly with a data provider any recurrent and/or structural mistakes in input data.

¹⁶ Annex I sets out the DQM targets, data fields and thresholds, i.e. the minimum verification effort that must be made in order to satisfy the DQM framework's requirements for a DQM target.

¹⁷ Annex II describes the data flows for different uses and the information fields of the output data included in the GCD framework.

data. Taking account of the views of the ESCB Statistics Committee, it may also make technical amendments to the Annexes to this Guideline, provided that they do not alter the objectives of the Guideline, or substantially impact the reporting burden on DQM competent authorities.

This Guideline came into force on 1 November 2012 and will be applicable as of 1 July 2013.

Write-downs and sales of the financial sector's real estate assets and other measures affecting the financial sector

Law 8/2012 of 30 October 2012 on write-downs and sales of the financial sector's real-estate assets (hereinafter, the Law), was published in the State Official Gazette (BOE) on 31 October 2012.

This legislative instrument gives the provisions of Royal Decree-Law 18/2012, 11 May 2012¹⁸ (hereby repealed) on write-downs and sales of the financial sector's real-estate assets, the status of a law. Among other things, this required additional provisions to those already established in Royal Decree-Law 2/2012 of 3 February 2012,¹⁹ consolidating the financial sector in the wake of the impairment of its loans to the property business. It also clarifies a number of points regarding Royal Decree-Law 2/2012 to ensure consistency with Royal Decree-Law 18/2012, and the opportunity was taken to modify a number of financial regulations, as discussed below.

MEASURES TO CLEAN UP CREDIT INSTITUTIONS' BALANCE SHEETS

As initially envisaged in Royal Decree-Law 18/2012, the Law establishes new provisions for loans and assets foreclosed or received in payment of debts relating to the property business existing on 31 December 2011, corresponding to the business in Spain of credit institutions, and classed as standard exposures. These provisions are to be set aside on a one-off basis, and the amount will vary according to the different lending types (see Table 2).

Thus, in the case of mortgage lending for property construction or development, the percentage mandatory provision has been increased by 45 percentage points (pp) in the case of land (from 7% to 52%), 22 pp in that of property developments in progress (from 7% to 29%), and by 7 pp in that of completed property developments (rising from 7% to 14%). In the case of unsecured property construction or development loans, the compulsory provisions will be increased by 45 pp in all of the above-mentioned cases (from 7% to 52%).

These new requirements must be complied with by 31 December 2012. To this end, credit institutions and consolidated groups of credit institutions were required to submit a plan to the Banco de España by 11 June 2012, detailing the measures they intended to adopt in order to comply with the new requirements. Those institutions that had a capital or core capital shortfall as a consequence of these write-downs were required to specify in their plan the measures they envisaged in order to avoid incurring this deficit, and had a maximum of five months in which to implement this plan.

These new provisions were to be used solely to cover the subsequent reclassification of any of the loans as doubtful or substandard, or the receiving of assets from foreclosures or in payment of debts.

The Law now sets a new deadline of 31 December 2013 such that if the new provisions have not been fully applied for these purposes on that date, the remaining balance may be assigned to provisions for those assets decided by the Banco de España at the time.

¹⁸ See "Financial regulation: 2012 Q2," *Economic Bulletin*, July-August 2012, Banco de España, pp. 107-110.

¹⁹ See "Financial regulation: 2012 Q1," *Economic Bulletin*, April 2012, Banco de España, pp. 132-135.

Royal Decree-Law 2/2012, 3 February 2012	Law 8/2012, 30 October 2012
A one-off general provision of 7% is established against the outstanding balance on 31 December 2011	<p>Further to the above, the following is added:</p> <p>With mortgage guarantee: 45% for land (rising from 7% to 52%; 22% for property developments in progress (rising from 7% to 29%), and 7% for completed developments (rising from 7% to 14%)</p> <p>For unsecured loans, the percentage will be 45% in all cases (from 7% to 52%).</p>

SOURCE: BOE and Banco de España.

Finally, the Law authorises the Banco de España to modify the aforementioned provisions as of 31 December 2012 if it sees fit, in accordance with Article 48 of Law 26/1988 of 29 July 1988 on the discipline and intervention of credit institutions.

CREDIT INSTITUTION INTEGRATION PROCESSES

As established by Royal Decree-Law 2/2012, credit institutions undergoing integration processes during the year entailing significant changes to institutions not belonging to a single group have 12 months from the time the necessary authorisation is granted to comply with the new provisioning requirements. This integration must be carried out through operations that entail structural modifications or the acquisition of institutions in which the FROB has a majority shareholding or for which the latter has been appointed as provisional administrator. They must also include measures aimed at improving corporate governance and incorporate a plan for the divestment of assets relating to real estate exposures, together with commitments to increase lending to households and small and medium-sized enterprises. Applications were to be submitted to the Treasury by 31 May 2012 (this requirement was not applicable to acquisitions of institutions in which the FROB had a majority shareholding). Consistent with the deadlines established by Royal Decree-Law 18/2012 of 11 May 2012, the Law extended this deadline to 30 June 2012.

ASSET MANAGEMENT COMPANIES

As envisaged in Royal Decree-Law 18/2012, Law 8/2012 provides for the creation of share capital companies to which credit institutions are to transfer properties received through foreclosures or in payment of debts relating to land, construction, and property development.

Companies created by credit institutions that have received financial support from the FROB will have the sole corporate purpose of managing and disposing, directly or indirectly, of the assets transferred to them. In the case of institutions in which the FROB has a majority shareholding, and in that of institutions for which the FROB has been appointed the provisional administrator, the FROB will decide whether or not the credit institution should set up an asset management company.

As Royal Decree-Law 18/2012 stipulates, transfers of ownership must take place at fair value and by the end of the period established for the new provisions to be set aside (scheduled for 31 December 2012, unless an integration process is underway). In the absence of a fair value, or in cases where it is difficult to estimate, the book value in the accounts of the institution transferring the asset may be used instead, taking into account the provisions that must be set aside for assets pursuant to Royal Decree-Law 2/2012 of 3 February 2012 and Article 1.1 of this Law.

Where credit institutions have received financial support from the FROB, they will be obliged to dispose each year of at least 5% of their assets to a third party other than the transferor credit institution or any other entity belonging to its group. Moreover, they will have a period of three years, from the entry into force of Royal Decree-Law 18/2012 (i.e. as of 12 May 2012) to adopt and implement the necessary measures to ensure that the link between the asset management company and the institution is, at most, that of an associated company.

Credit institutions must have databases with the information they need to manage the assets transferred to the company. The requirements with which these databases must comply have been set out by the Banco de España in its Circular *CBE 8/2012 of 21 December 2012* (BOE of 27 December 2012). The content of these databases, according to their type, is described in the annex to the Circular.

If the nature of the assets transferred to these companies is such that the information cannot comply with the stipulations of the annex, institutions are to create the necessary databases following consultation with the Banco de España such that the latter can assess the adequacy of the designed structures.

The design of the databases must allow assets to be grouped into homogenous classes to make them easier to transfer to asset management companies. The databases must be transferred using computer media and formats compatible with the company's systems. If several credit institutions, acting on their own account or through their subsidiaries, transfer assets to a single company, they must agree on a specification for the database format beforehand to avoid a proliferation of formats and media.

TAXATION OF ASSET TRANSFERS TO ASSET MANAGEMENT COMPANIES

As a result of the fiscal regime introduced by Royal Decree-Law 18/2012, these operations will be subject to the taxation rules established for mergers, divisions, asset transfers, and exchanges of securities laid down in the consolidated text of the corporate income tax law, approved by Legislative Royal Decree 4/2004 of 5 March 2004,²⁰ in order ensure the fiscal neutrality of the transactions involved in setting up an asset management company.

By the same token, transfers subsequent to the initial contributions of holdings during the company's creation and transfers of holdings of credit institutions affected by integration plans are exempt from VAT, transfer tax and stamp tax.

Moreover, 50% of the positive income deriving from the transfer of urban properties considered non-current assets or classed as non-current assets held for sale and which were purchased between 12 May 2012 (entry into force of Royal Decree-Law 18/2012) and 31 December 2012 is exempt from taxation. This same percentage exemption applies to capital gains from the sale of urban property acquired during this period.

Finally, the fees of notaries public and property registrars have been significantly reduced in the case of transfers of financial assets or real estate resulting from financial institutions' write-downs and restructuring operations.

PREFERENCE SHARES AND OTHER INSTRUMENTS IN CIRCULATION

The Law also introduces special treatment for preference shares under the terms of Royal Decree-Law 18/2012.

²⁰ See "Financial regulation: 2004 Q1," *Economic Bulletin*, April 2004, Banco de España, pp. 99-100.

Thus, credit institutions facing equity capital difficulties as a result of applying the new provisions may include in their consolidation plan an application to defer for up to 12 months the envisaged remuneration on preference shares or mandatory convertible debt instruments in circulation before 12 May 2012 (date of entry into force of Royal Decree-Law 18/2012) or on instruments exchanged for the foregoing. Once this period has expired, deferred remuneration may only be paid if sufficient distributable profits or reserves are available and there is no capital shortfall at the parent credit institution.

The Law also empowers the government to stipulate under what circumstances institutions issuing preferred shares or subordinate bonds are to offer to exchange them for shares or subordinate bonds in the issuing institution or a member of its group, and the criteria for determining the percentage of the nominal value of the instruments to be exchanged.

The Law designates the Banco de España as the competent national authority for the purposes of Regulation 1210/2010 of the European Parliament and of the Council of 15 December 2010 concerning authentication of euro coins and handling of euro coins unfit for circulation. In particular, the Banco de España will receive coins that, after a process of authentication, are suspected of being counterfeit, and euro coins not fit for circulation. Where applicable, it will perform detection tests on coin-sorting machines, sign the relevant bilateral agreements with coin-sorting machine manufacturers to allow tests to be carried out on manufacturers' premises, and draw up reports on detection tests. To perform these tasks, the Banco de España may enter into any agreements with third parties as it sees fit.

Law 13/1994 of 1 June 1994 of Autonomy of the Banco de España has also been amended to adapt the Banco de España's role in issuing and uttering banknotes to Council Regulation 1338/2001 28 June 2001 laying down measures necessary for the protection of the euro against counterfeiting. Specifically, the Banco de España may: 1) establish criteria and procedures for action in relation to the uttering, withdrawal, exchange, custody and recirculation of euro banknotes; 2) gather whatever information and documentation is necessary to promote the good conservation, quality and authenticity of the banknotes in circulation; 3) carry out on-site inspections with or without prior notice on the premises of economic entities and agents to verify their banknote processing machines and, in particular, their capacity to confirm banknote authenticity and fitness, the handling of verified euro banknotes, and the manual verification of authenticity and fitness, where applicable; 5) take samples of euro banknotes for verification on its own premises, and 6) require that an entity take corrective measures in the event of non-compliance with any applicable obligations.

The Banco de España may establish criteria and procedures for action in relation to the uttering, withdrawal, exchange, custody and recirculation of euro banknotes, and supervise compliance in order to promote the authenticity and quality of the euro banknotes in circulation.

Finally, the period for the exchange of banknotes and coins denominated in pesetas for banknotes and coins in euros, which is solely carried out by the Banco de España, has been limited. This period will end on 31 December 2020, after which time it will no longer be possible to exchange peseta banknotes and coins for euros.

The rules concerning the renewal and dismissal of the governing bodies set out in Law 13/1994 of 1 June 1994²¹ of Autonomy of the Banco de España have been amended.

21 See "Regulación Financiera: segundo trimestre de 1994", *Boletín Económico*, July-August 1994, Banco de España, pp. 86-92.

Specifically, the age limit at which the holders of the posts of governor, deputy governor and non ex-officio directors are to leave their offices, previously set at 70 years, has been eliminated.

EXCEPTIONAL REGIME FOR THE REMUNERATION OF MEMBERS THROUGH THE CREDIT COOPERATIVES' COMPULSORY RESERVE FUND

From 2012 to 2015 credit cooperatives may pay their members for their contributions from the surplus arising on the Compulsory Reserve Fund. This remuneration of these members' contributions may not put the institution in a position where it breaches the applicable regulations on equity and shall, without exception, require prior authorisation from the Banco de España.

Law 8/2012 and CBE 8/2012 came into force on 31 October 2012 and 28 December 2012, respectively.

RESTRUCTURING AND RESOLUTION OF CREDIT INSTITUTIONS: NEW FINANCIAL PROVISIONS AND OTHER CHANGES

Law 9/2012 of 14 November 2012 on restructuring and resolution of credit institutions (hereinafter, the Law) was published in the BOE on 15 November 2012.

This legislative instrument raises the content of Royal Decree-Law 24/2012 of 31 August 2012²² on restructuring and resolution of credit institutions (which it repeals) to the status of a Law, and introduces some significant new provisions on the regulation of asset management companies (AMCs), and the segregated assets of AMCs', which the Law terms "bank asset funds" (FABs). The Law also makes a number of changes of relevance to the financial sphere.

Table 3 shows the most significant modifications to the prevailing legislation brought about by Royal Decree-Law 24/2012. These changes are now included in Law 9/2012.

MAIN PROVISIONS OF ROYAL DECREE-LAW 24/2012 OF 31 AUGUST 2012, INCLUDED IN LAW 9/2012

Law 9/2012 incorporates the new legal framework introduced by the aforementioned Royal Decree-Law concerning the handling of institutions in difficulties, which is based on three levels of management:

Management of crises affecting credit institutions

- 1) Early action measures, envisaged for credit institutions that are viable but which are at risk of failing to meet the solvency, liquidity, organisational structure or internal control requirements, although they are in a position to return to compliance by their own means. In such cases, the institutions concerned are to submit an action plan approved by the Banco de España²³ specifying the actions envisaged to ensure the institution's long-term viability. Furthermore, a favourable report will be required from the FROB should the institution require public financial support.

In parallel, the Banco de España, from the moment it is aware of the situation, may take certain early action measures. The steps envisaged include: 1) requiring the replacement of members of the board, or of the equivalent body, or of general managers and the like; 2) requiring the preparation of a programme to renegotiate or restructure the institution's debt with all or some of its creditors; 3) adopting any of the measures in the current law on regulation and discipline, in accordance with the provisions of Law 26/1988 of 29 July 1988 on discipline and intervention of credit institutions, and 4) exceptionally, in compliance with Spanish and EU law on competition and

²² See "Financial regulation: 2012 Q3," *Economic Bulletin*, October 2012, Banco de España, pp. 7-15.

²³ A favourable report will also be required from the FROB should the institution require public financial support.

ROYAL DECREE-LAW 9/2009, 26 JUNE 2009

LAW 9/2012, OF 14 NOVEMBER 2012

Management of crises affecting credit institutions	
Not specifically envisaged.	Early action measures: provided for institutions that may be viable on the basis of their own funds, but which may require exceptional, temporary assistance, through contributions to share capital, purchase of ordinary shares or instruments convertible into shares, to be repaid within two years.
Restructuring processes: two phases are envisaged. The first, with the submission of the plan of action setting out the actions planned to overcome the situation of financial weakness. When the plan of action is insufficient, the restructuring process is initiated with the intervention of the FROB. Its objective is to support integration processes or the transfer of all or part of the banking business. The FROB can provide temporary financial support to the restructuring process.	Restructuring processes: envisaged for institutions displaying temporary weaknesses that may be overcome by means of public financial support, to be repaid within a five-year period, extendable by no more than two years. The restructuring instruments that the FROB may implement (individually or jointly) are two: 1) public financial support, and 2) the transfer of assets or liabilities to the Asset Management Company (AMC).
Not specifically envisaged.	Orderly resolution of institutions: applied to unviable credit institutions. The resolution instruments that may be adopted by the FROB (individually or jointly) are: 1) sale of the business or the institution; 2) transfer of assets or liabilities to a bridge bank; 3) transfer of assets or liabilities to the AMC, and 4) financial support for acquirers of the business, the bridge bank or the AMC.
Composition and powers of the FROB	
The FROB is governed by a Governing Committee with eight members: five proposed by the Banco de España and three of which correspond to the Deposit Guarantee Funds.	The Governing Committee is made up of representatives of the Ministry of Economic Affairs and Competitiveness, the Ministry of Finance and Public Administration (five members) and the Banco de España (four members). It will have a general manager with full executive powers.
It has a capital endowment financed from the State budget and the contributions of the Deposit Guarantee Fund. In addition, it may raise funds on the securities markets by issuing fixed-income securities, taking out loans, requesting the opening of credit facilities and conducting any other debt operation, although such funds may not amount to more than three times the value of the capital endowment existing from time to time. However, as from 1 January 2010, funding beyond this limit may be authorised, although external funds may in no event amount to more than ten times the capital endowment.	It has the capital endowments that may be financed from the State budget. In addition, to achieve its purposes, the FROB may raise funds by issuing fixed-income securities, taking out loans, requesting the opening of credit facilities and conducting any other debt operation. The external funds obtained must not exceed the limit established in the State budget.
The FROB basically has two functions: management of the restructuring processes (by means of financial support and management measures to improve the organisation and the procedural and internal control systems), and the strengthening of the capital of institutions with the exclusive purpose of carrying out integration processes.	The FROB manages credit institution restructuring and resolution processes with the instruments mentioned above.
Not envisaged.	In cases of restructuring or resolution of credit institutions that belong to international groups, the FROB will collaborate with the EU institutions, including the European Banking Authority, and with foreign authorities with the relevant responsibilities, and may conclude collaboration agreements and exchange information for the exercise of its powers.
Burden sharing system for the costs of institution restructuring or resolution	
Not envisaged.	The distribution of the costs of restructuring or resolution of institutions is addressed, and the mechanism established whereby the holders of hybrid capital instruments (preference shares, convertible bonds, subordinated bonds or any other subordinated financing obtained by the credit institution) may be obliged to assume part of the losses of an institution in crisis.
Asset Management Company and SAREB	
Not envisaged.	Its purpose is to concentrate those assets considered to be troubled or that may damage the balance sheet of credit institutions or that are considered to reduce their viability, in order to remove them from institutions' balance sheets and allow them to be realised separately.

SOURCES: State Official Gazette (BOE) and Banco de España.

State aid, requiring recapitalisation measures through contributions of share capital, purchase of ordinary shares or instruments convertible into shares (known colloquially as “cocos”), in which the repurchase or repayment period does not exceed two years.

- 2) Restructuring measures, for institutions with temporary weaknesses able to be overcome through public financial support, which must be repaid within five years, with a maximum extension of two years. The institution must submit a restructuring plan setting out the planned measures to ensure its long-term viability, which must be approved by the Banco de España. This plan will include, in addition to the elements envisaged for action plans (mentioned in the previous section), the restructuring tools that the FROB is going to apply, of which there are basically two: 1) public financial support, and 2) the transfer of assets and liabilities to the AMC. These tools can be applied individually or jointly.
- 3) Orderly resolution of institutions will apply in the case of credit institutions that are non-viable²⁴ or which it is reasonably foreseeable will become non-viable in the near future. Once the resolution process has been instituted, provided that the FROB does not hold a controlling stake in the institution, the Banco de España may decide to replace the board or equivalent body of the institution, appointing the FROB as sole director. The latter will prepare a resolution plan for the institution or, where applicable, will determine whether it is appropriate to commence insolvency proceedings, which must be approved by the Banco de España, within the framework of its powers.

The resolution mechanisms available are: 1) sale of the institution’s business;²⁵ 2) transfer of its assets or liabilities to a bridge bank;²⁶ 3) transfer of its assets or liabilities to the AMC; and 4) the financial support to the acquirers of the business, the bridge bank or the AMC when it is necessary to facilitate implementation of the above-mentioned tools and to minimise the use of public financial support. The FROB may adopt these measures individually or jointly.

Bridge banks will be administered and managed with a view to their sale, or to the sale of their assets or liabilities, when the conditions are appropriate and no later than five years from its incorporation or acquisition by the FROB. Such sale shall be carried out at arm’s length by means of competitive, transparent and non-discriminatory procedures. In the event that the bridge bank is no longer operational, the FROB will proceed to wind it up,

24 A credit institution will be deemed non-viable when it is in any of the following situations: 1) the institution substantially fails to comply with its solvency requirements, or it is reasonably foreseeable that it will fail to do so in the near future; or 2) the institution’s debt exceeds its assets or it is reasonably foreseeable that it will do so in the near future; or 3) the institution is unable, or it is reasonably foreseeable that it will become unable in the near future, to comply with its enforceable obligations on time. It is also non-viable if it is not reasonably foreseeable that the institution can redress the situation within a reasonable period of time by using its own resources, tapping the markets or receiving public financial support.

25 The sale of the institution’s business involves transfer to an acquirer other than a bridge bank of the shares, non-voting equity units or contributions to share capital or, generally, instruments representing or convertible into the capital, or equivalent, of the institution, whoever their holders may be, or some or all of the assets or liabilities of the institution.

26 A bridge bank will be considered to be a credit institution (including, where applicable, the very institution in resolution) in which the FROB has a holding, whose object is to carry on all or part of the activities of the institution in resolution and to manage all or part of its assets and liabilities. The total value of the liabilities transferred to the bridge bank may not exceed the value of the assets transferred from the institution or from any other source, including those relating to the public financial support.

provided that the latter holds the majority of the bridge bank's share capital. The amount resulting from the winding-up will be paid to the institutions in resolution whose assets and liabilities have been transferred to the bridge bank.

Prior to the adoption of any restructuring or resolution measure, the FROB will determine the economic value of the institution or of the relevant assets and liabilities on the basis of the valuation reports commissioned from one or more independent experts. This valuation will be used whenever an institution is granted public financial support.

Strengthening of the powers of the FROB

The FROB is designated as being responsible for managing credit institution restructuring and resolution processes. It has available to it the funds assigned from the State budget. In addition, to fulfil its goals, the FROB may raise funds by issuing fixed-income securities, receiving loans, requesting the opening of credit facilities and through any other debt-in-currence transactions. The external funds obtained by the FROB, in whatever form, may not exceed the limit established in the State budget.²⁷

In the exercise of its powers, and in particular in the event of restructuring or resolution of credit institutions that belong to international groups, the FROB will collaborate with the institutions of the European Union, including the European Banking Authority, and with foreign authorities with functions relating to supervision, restructuring or resolution of financial institutions.

Burden sharing system for the costs of institution restructuring or resolution

The Law incorporates the sharing of the costs of credit institution restructuring or resolution laid down in Royal Decree-Law 24/2012, establishing a mechanism to enable the holders of hybrid capital instruments (preference shares, convertible bonds, subordinated bonds or any other subordinated financing obtained by the credit institution) to be obliged to assume part of the losses of a troubled institution. Burden sharing will be managed in accordance with the EU law on State aid and the objectives and the principles established in Royal Decree-Law 24/2012 (to safeguard financial stability and minimise the use of public funds).

ASSET MANAGEMENT COMPANIES

The Law recapitulates the general framework for asset management companies (AMCs), intended as a means of facilitating credit institution restructuring, as envisaged in Royal Decree-Law 24/2012, while introducing a number of new features. The corresponding implementing regulations have recently been adopted, so this will be discussed more fully in the next section of this article.

Strengthening the protection of retail investors

The Law includes the restrictions established in Royal Decree-Law 24/2012 on the marketing of hybrid capital and subordinated debt instruments, aimed at protecting retail investors and increasing the transparency of the way these products are marketed. Thus, there must be a tranche of at least 50% for professional investors and the minimum investment will be €100,000 in the case of unlisted companies and €25,000 in that of listed companies.

Information on these financial instruments must include appropriate guidance and warnings about the risks associated with instruments or strategies of this kind. The Spanish National Securities Market Commission (CNMV) may require this information to be provided to investors before the acquisition of a product, highlighting in particular those products that are not appropriate for non-professional investors owing to their complexity. It may also require these warnings to be included in any advertising.

²⁷ Law 2/2012 of 29 June 2012 on the 2012 State budget has been amended, so that the limit on external funds obtained by the FROB in 2012 will be €120 billion.

In the event that the service is provided, the contractual document must include, along with the customer's signature, a written statement by the investor, in such terms as the CNMV may determine, that he/she has been warned that the product is inappropriate for him/her or, alternatively, that the institution has not been able to assess his/her knowledge and experience in relation to the product or service offered or applied for, given that the information the customer has supplied is inadequate to do so, as may be the case.

New core capital requirements

As envisaged in Royal Decree-Law 24/2012, as of 1 January 2013, repealed by Law 9/2012, the regulatory core capital (*capital principal* in Spanish) requirements applicable to institutions and consolidated groups have been modified to align them with the EBA's definition of core capital. The Banco de España has also been given the power to issue precise provisions for the due execution of the minimum core capital requirements which were recently implemented through CBE 7/2012 of 30 November 2012, and which will be discussed more fully below.

Transfer of powers to the Banco de España

From 1 January 2013, the Banco de España is entrusted with powers in relation to the authorisation of the creation of credit institutions, the establishment in Spain of branches of credit institutions not authorised in an EU Member State, and the imposition of penalties for very serious infringements.²⁸ Previously, the authorisation of credit institutions and the imposition of penalties for very serious infringements were the competence of the Ministry of Economic Affairs and Competitiveness, upon a proposal from the Banco de España.

New functions of the bank deposit guarantee fund

Credit institution resolution support measures have been introduced, although the deposit guarantee fund (DGF) may not assume a financial cost that exceeds the total it would have disbursed had it opted, at the time the resolution process began, to pay the amounts guaranteed in the event of the institution's liquidation. The financial support measures that the DGF may implement can take the form of one or more of the following: 1) the granting of guarantees; 2) the extension of loans or credits; 3) the acquisition of assets or liabilities, which it may manage itself or through third parties; and 4) its participation in the resolution process.

Changes to the securities market legislation regarding the prospectus accompanying securities issues

Certain modifications have been made to the regulations on the prospectus to be published when securities are offered to the public or admitted to trading, pursuant to Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010, amending Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003. The implementing regulations for this new legislation were recently adopted and will be discussed below.

OTHER CHANGES TO FINANCIAL LEGISLATION INTRODUCED BY LAW 9/2012

Further clarification has been given on the situations in which savings banks are required to convert into special foundations, envisaged in Royal Decree-Law 11/2010 of 9 July 2010 on savings banks' governing bodies and other aspects of their legal regime. Conversion is therefore envisaged when the savings bank ceases to exercise control over the commercial bank as defined in Article 42 of the Commercial Code²⁹ or, where although it

Changes regarding the transformation of savings banks into special foundations

²⁸ The penalties for very serious infringements are as follows: 1) a fine of up to 1% of equity or up to €1 million, whichever is the highest; 2) revocation of the authorisation of the institution. In the case of branches of credit institutions authorised in another EU Member State, the sanction of revocation of authorisation will be understood to be substituted by a prohibition on the undertaking of new business within Spanish territory, and 3) a public reprimand published in the State Official Gazette (BOE).

²⁹ According to Article 42 of the Spanish Commercial Code, control shall be presumed to exist when a company, denoted the parent, has any of the following relationships with another company, denoted the subsidiary: 1) the parent holds a majority of the voting rights in the subsidiary; 2) the parent has the power to appoint or remove a majority of the members of the board of directors of the subsidiary; 3) through agreements with third parties, the parent can exercise a majority of the voting rights in the subsidiary; and 4) the parent has used its voting power to appoint most of the members of the board of directors of the subsidiary in office at the time the consolidated accounts were due to be prepared in the two immediately preceding accounting periods.

retains control, it reduces its holding such that it no longer exercises 25% of the commercial bank's voting rights.³⁰ This implies the loss of authorisation to conduct business as a credit institution, pursuant to the Banking Law of 31 December 1946.

A new scenario for the transformation of a savings bank into a special foundation has been added, namely that arising as a result of a credit institution's restructuring or resolution, provided that this is stipulated in the corresponding restructuring or resolution plans.

In both cases, the Law establishes that the transformation will take place within five months of the time the decisive event triggering the savings bank's dissolution took place. If this period elapses without the conversion's being completed, the institution's governing bodies will all be dissolved forthwith and the institution will be struck off the Banco de España's special register of credit institutions. A management committee will then be appointed and assigned the tutelage of the special foundation.

The management committee will approve the articles of association, appoint the trustees of the foundation, and, where applicable, define the regime for the immediate redemption of non-voting equity units. It will also adopt any measures and agreements necessary to complete the institution's conversion, in accordance with the applicable national and regional legislation.

Savings banks that are in any of the situations requiring them to convert into a special foundation this Law comes into force, irrespective of whether or not they have applied to give up authorisation to operate as a credit institution, shall have the remainder of the five month period since the scenario triggering the obligation to convert arose to do so.

Institutions that have been in any of the situations requiring their conversion longer than this five-month period will be automatically converted, their governing bodies dissolved, and they will be removed from the Banco de España's Special Register of Credit Institutions.

Granting of special credit for the recapitalisation of credit institutions

A special credit of €60 billion has been granted, within the budget of the Ministry of Economic Affairs and Competitiveness, to implement the European support programme of financial assistance for the recapitalisation of Spanish financial institutions.

This credit will be financed with loans to the Kingdom of Spain, in the form of cash or securities, granted by the European Financial Stability Facility (or the European Stability Mechanism, as applicable). Any credit remaining at the end of 2012 may be carried over to the following year.

CNMV: new powers

Pursuant to European Union law, the CNMV has been given powers to supervise and ensure compliance with the obligations envisaged in Regulation 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps, together with those envisaged in Regulation 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories. It has also been entrusted with the authorisation and supervision of the central counterparties established in Spain, and will be responsible for coordinating cooperation and information exchange with the European Commission, the European Securities and Markets Authority (ESMA), competent authorities in other

³⁰ See Article 5 of Royal Decree-Law 11/2010 of 9 July 2010 on savings banks' governing bodies and other aspects of their legal regime (indirect exercise of savings banks' financial business).

Member States, the EBA, and, where applicable, NCBs belonging to the European System of Central Banks (ESCB).

The Law entered into force on 15 November.

Asset management companies

Law 9/2012 of 14 November 2012 (discussed above) sets out the general framework for asset management companies (AMCs) established in Royal Decree-Law 24/2012 of 31 August 2012, which are envisaged as tools for credit institution restructuring and resolution, and introduces some significant changes. The general legal framework applicable to AMCs, the regulations governing them, and other additional details were recently enacted in *Royal Decree 1559/2012 of 15 November 2012* (BOE of 16 November 2012).

GENERAL FRAMEWORK

AMCs' purpose is to concentrate those assets considered problematic or which might be detrimental to credit institutions' balance sheets or jeopardise their viability, by removing them from the balance sheet and allowing them to be independently managed.

The objectives AMCs are to pursue through their operations are: 1) to help consolidate the financial system by acquiring the relevant assets, such that simultaneous with their change of ownership there is an effective transfer of the risks associated with them; 2) to minimise public financial support; 3) to pay the debts and obligations incurred in the course of conducting their activities; 4) to minimise possible market distortions resulting from their activities; and 5) to dispose of the assets acquired in a way that optimises their value within the timescale for which they have been constituted.

Asset management companies regulated under Royal Decree Law 18/2012 of 11 May 2012 on the writing down and sale of the real estate assets of the financial sector, the regulations for which were given the status of law by Law 8/2012 of 30 October 2012, are not considered AMCs.³¹

TRANSFER OF ASSETS

The FROB may oblige a credit institution to transfer certain classes of assets on its balance sheet to an AMC, including those on the balance sheet of any entity over which the credit institution exercises control.

The FROB will define the classes of assets that are to be transferred according to certain (qualitative and quantitative) criteria, as set out in Royal Decree 1559/2012. Exceptionally, when justified by an unforeseen change of circumstances, new categories of assets considered detrimental to the viability of the credit institution may be included.

Value adjustment criteria

Before transferring assets, the credit institutions concerned must make the relevant value adjustments to each asset class. As a general rule, this may not be less than the provisions that would apply under the rules set out in the Banco de España circulars on credit institution's accounts, as described in more detail below.

The value of a listed asset will be its market value on the valuation date. In the case of unlisted assets, generally accepted valuation practices will be applied to estimate their

³¹ This law envisages the creation of companies for asset management to which credit institutions are to transfer all assets foreclosed or received in payment of debts relating to development land and to property construction or development. The sole corporate purpose of these companies, constituted by credit institutions that have received financial support from the FROB, will be the management and disposal, whether directly or indirectly, of the assets transferred to them. In the case of credit institutions majority owned by the FROB, the latter shall decide whether or not the credit institution should create such a company.

economic value.³² If independent expert valuations are available, the institution must use them to determine the valuation adjustments.

When valuing real estate assets, the specific features that a buyer would take into account when deciding whether or not to buy the asset will be considered.³³ To estimate the assets' economic value, their ability to generate cash flows on the basis of their most likely³⁴ and financially sustainable³⁵ use should be considered.

The economic value of rented property will be obtained from projected effective future cash flows, considering the level of occupancy on the valuation date.

When valuing assets that may require additional investments prior to their marketing, such as property developments in progress, these additional investments will not be taken into account; instead, the value will be estimated based on the market's assessment of the assets at the time of valuation. If the properties are worth more than €3 million, institutions are to obtain their economic value based on the valuation of an independent expert with sufficient experience in the geographical area and with the class of assets in question.

The valuation of credit claims must reflect the expected loss over the total residual life of the claim. The value of assets secured with first priority real-estate collateral will be calculated based on the valuation of the asset in accordance with the above criteria, after discounting the expenses necessary to realise and sell off the collateral asset.

The economic valuation of instruments representing share capital that are listed on an organised market will be the market value at the time of the valuation. For unlisted instruments, in the case of companies in voluntary bankruptcy proceedings or declared bankrupt by the court, the economic value of their capital instruments will be deemed to be zero. For other companies, the economic value will be at most the value of the proportional part of the company's net book value. If the total value of the asset exceeds €10 million and the proportional part is worth more than €3 million, a specific valuation must be made by an independent expert.

Transfer value of assets

The Banco de España will determine the transfer value of the assets to be transferred to AMCs based on independent experts' valuations. The regulations describe the valuation methods that experts are to apply to each of the classes of assets to be transferred.

The Banco de España will subsequently adjust the transfer value taking the following criteria into account: 1) hedging of the risk against unfavourable price movements; 2) projected management, administration and maintenance costs, together with the financial costs associated with holding the assets due to be transferred; and 3) the prospects of the AMC's divesting the assets transferred to it. Once determined, the Banco de España will inform the FROB, which will issue a resolution, of which it will notify the institution, determining

³² The economic value is an estimate of the present value of an asset that the entity would obtain from a voluntary sale, maximising the use of data observable in the market, and minimising the non-observable data.

³³ These include the geographical location, the available infrastructure, legal status, conditions of sale, current supply and demand for similar assets, most likely use, urban planning considerations, changes in the price of supplies, and demographic change.

³⁴ The most likely use will be determined according to its legal status and market conditions, without necessarily coinciding with its urban classification at the time of its valuation.

³⁵ The asset's use will be considered financially sustainable when it is able to generate cash flows with an adequate return in relation to the investment required.

the maximum delay and the conditions under which the assets included in each category are to be transferred to the AMC.

SANCTIONS AND SUPERVISION REGIME

The Banco de España will be responsible for the sanctions and supervision regime applicable to AMCs. In particular, it is to oversee: 1) compliance with their sole purpose, so as to avoid deviations that jeopardise the achievement of the goals legally established for them; 2) compliance with the specific requirements laid down for assets, and where applicable, liabilities that are to be transferred to AMCs, and 3) compliance with the rules regarding transparency and the constitution and composition of AMCs' governing and controlling bodies as envisaged in the applicable legislation, and those regarding the requirement for the commercial and professional probity of the members of their boards of directors.

In the exercise of these functions, the Banco de España may conduct inspections and make such checks as it sees fit, as well as commission any independent experts' reports it requires.

Sanctions shall be governed by the regime established in Law 26/1988 of 29 July 1988 on the discipline and intervention of credit institutions, with the special provisions envisaged in the law. Infringements may be classed as either serious or very serious. A fine of up to 0.01% of the total assets managed by the AMC or €1 million, whichever is greater, will be applicable in the case of serious infringements. Sanctions may also be imposed on persons holding posts in the administration of the AMC, leading to their being barred from holding similar offices for up to five years.

When there are substantiated indications that an AMC is in an exceptionally serious situation jeopardising the fulfilment of the objectives entrusted to it by law, the Banco de España may decide on the provisional substitution of its governing body.

ASSET MANAGEMENT COMPANY FOR ASSETS RESULTING FROM BANK RESTRUCTURING (SAREB)

As envisaged in Royal Decree-Law 24/2012, the FROB has set up the Asset Management Company for Assets Resulting from Bank Restructuring (SAREB) with a view to its acquiring assets from institutions in which the FROB has a majority shareholding and those which, following an independent assessment of the capital needs and asset quality, the Banco de España considers warrant a restructuring or resolution process's being initiated.

Legal regime

The SAREB has been established for a limited period, which will be determined in its articles of association, and may not exceed 15 years. It has the sole purpose of the holding, management, and disposal, whether directly or indirectly, of assets transferred to it by credit institutions and those it may acquire in the future. In those cases where the SAREB pursues its corporate purpose indirectly, appropriate safeguards must be in place to avoid conflicts of interest.

The amount of the SAREB's initial capital and issue premium will be determined by the FROB according to its envisaged volume of business and operations, and the expected financial needs.

In addition to the FROB, other financial institutions such as credit institutions, insurance companies, investment firms, collective investment institutions (CIIs), pension funds (and their management companies), venture capital firms and funds, and mutual guarantee societies may also become shareholders.

Under no circumstances may the public shareholding³⁶ exceed 50% of the SAREB's capital.

The SAREB's governing bodies are to include a board of directors comprising between five and 15 members, all of whom must be persons of recognised business and professional probity and must have appropriate knowledge and experience to perform their duties. This requirement for probity and experience will also be applicable to the general manager and other similar posts in the entity.

At least a third of the members of the board of directors are to be independent directors, who will be appointed by the Appointments and Compensation Committee on the basis of their competence, experience and professional prestige. They may not serve for more than five years.

For its part, the SAREB must constitute the audit committee, the appointments and compensation committee,³⁷ and the following additional committees: management committee,³⁸ risk committee,³⁹ investment committee,⁴⁰ assets and liabilities committee,⁴¹ and a committee monitoring compliance⁴² with the SAREB's general objectives.

The monitoring committee must be set up and run with no increase in public sector staff costs. Its functions will include analysis of the SAREB's business plan and its possible deviations, and monitoring of the divestment and repayment plans for the debt guaranteed. It may also request any periodic information it deems necessary. To facilitate these tasks, the Banco de España, and where applicable the CNMV, will report on the main conclusions deriving from the performance of its supervisory functions.

The monitoring commission may propose to the Banco de España the provisional substitution of the SAREB's governing body, when, in the light of information received, it considers that it is in an exceptionally serious situation jeopardising the achievement of the objectives entrusted to it by law.

Transfer of assets

Credit institutions in which the FROB has a majority holding or that, in the opinion of the Banco de España, following an independent assessment of their capital needs and the quality of their assets, are going to require a restructuring or resolution process to be initiated, will be obliged to transfer the following set of assets to the SAREB:

³⁶ The public shareholding is understood to comprise the total direct and indirect shareholdings held by public institutional units, as defined in the European System of National Accounts.

³⁷ This body will report on the general compensation and incentive programme for members of the board of directors and management of the SAREB, and will ensure compliance with the requirements for the exercise of the post of member of the board of directors.

³⁸ The management committee's tasks will include assisting the board of directors on financial and operational management matters and its budgetary report and management functions, together with other tasks assigned to it by the SAREB's articles of association.

³⁹ The risk committee's tasks will include supervising levels of risk, and if necessary proposing remedial action to respond to situations or actions that may lead to excessive levels of risk, and other functions assigned to it by the SAREB's articles of association.

⁴⁰ Among other tasks assigned to it by the articles of association, the investment committee will be responsible for evaluating investment and divestment strategies and actions and proposing them to the board of directors.

⁴¹ Among other functions assigned to it by the SAREB's articles of association, the assets and liabilities committee will have the task of advising the board of directors on any situation that may affect the company's balance sheet, and in particular those relating to its capital structure, financing and liquidity.

⁴² The monitoring commission will have four members, one appointed by the Ministry of Economic Affairs and Competitiveness, who will chair the commission and have the casting vote, one appointed by the Ministry of Economy and General Government; one appointed by the Banco de España, who will act as secretary, and one appointed by the CNMV. The Commission may also agree to representatives of other public institutions or national or international organisations attending its meetings as observers.

- 1) Immovable property obtained as a result of foreclosure or in payment of debts, whatever their origin, provided that they are included on the credit institution's balance sheet on 30 June 2012 and have a net book value, after value adjustments (applying the same criteria as specified above for AMCs), of more than €100,000.
- 2) Certain credit claims listed in Royal Decree 1559/2012, provided they are on credit institutions' balance sheets on 30 June 2012 or derive from refinancing at a later date, whose net book value, after value adjustments, is more than €250,000.
- 3) The aforementioned real estate assets and credit claims deriving from companies in the property sector, or their associated companies, over which the credit institution exercises control under the terms envisaged in Article 42 of the Commercial Code.
- 4) Instruments representing the share capital of companies in the property sector, or their associated companies, that allow the credit institution or any other entity in its group to exercise overall control or a significant influence over them, provided the FROB sees fit.

The FROB may also order the transfer of consumer or small-business loans or credits, loans guaranteed by residential mortgages or any other assets not included in the foregoing sub-sections, provided that these assets are particularly impaired or that their remaining on the balance sheet is considered detrimental to the viability of the institution. A prior report from the Banco de España will be required in order to establish that these circumstances arise.

Together with the foregoing assets, credit institutions must also supply databases of information necessary for the management of the assets, as required by the Banco de España in the annex to circular *CBE 8/2012, 21 December 2012*, mentioned above. Similarly, the databases must be supplied in a computer format compatible with the asset management companies' systems.

Finally, the value at which assets are transferred to the SAREB may not exceed €90 billion.

General obligations for transparency and the formulation of annual accounts

The SAREB must comply with the general obligations to formulate annual accounts as envisaged in Legislative Royal Decree 1/2010, of 2 July 2010, approving the consolidated text of the Law on Capital Corporations, with the proviso that it may not submit abridged accounts.

Additionally, it must furnish the general public, by whatever technical, computer or tele-matic means, with all the information legally required in relation to its annual accounts and activity report, without prejudice to shareholders' right to request this information in printed form.

Every six months the SAREB will prepare an "activity report" setting out the main details of its activity during the period in a systematic and readily comprehensible way, reporting on the degree of fulfilment of the targets set in its business plan and the reasons for any possible deviations from these targets. This report will be sent to the Banco de España and the monitoring commission, which may require that it be completed with any

additional information they consider necessary. The report will be made available to the public on the SAREB's website.

On an annual basis, an independent expert will prepare an "independent compliance report," which the SAREB is to forward to the Monitoring Commission and the Banco de España. The purpose of this report will be to assess the appropriateness of the SAREB's activities and strategies for the general purposes for which it was created, without prejudice to the supervisory powers assigned to the Banco de España.

Taxation

Transfers of assets, and where applicable, liabilities, and the granting of guarantees of any kind by the SAREB or entities it establishes in order to fulfil its corporate purpose, will be exempt from transfer tax and stamp tax, and the tax on the increase in urban land value.⁴³

Moreover, tariff duties will not accrue on notaries' and registrars' formalities necessary when the SAREB is the party legally required to meet their cost.

BANK ASSET FUNDS (BAFs)

Royal Decree 1559/2012 implements the regulations on segregated assets initially envisaged in Royal Decree-Law 24/2012,⁴⁴ which Law 9/2012 subsequently termed bank asset funds (BAFs).

Legal framework

BAFs will be established by public deed, the minimum content of which is stipulated in Royal Decree 1559/2012, and they are to be entered on a register held by the CNMV.

BAFs' initial assets may comprise both assets and, where applicable, liabilities, deriving from the SAREB. It will also be possible for the SAREB to transfer assets and, where applicable, liabilities to an existing BAF, provided the articles of association of the latter allow for this.

The BAFs' assets can be subdivided into different independent sub-funds, against which securities may be issued. The share of the BAF's assets assigned to each sub-fund will meet only the costs, expenses and obligations expressly attributable to this sub-fund. The creditors of a particular sub-fund may only enforce their credits against that sub-fund.

Securitisation management funds

The management and representation of BAFs will be confidential and will be entrusted solely to asset securitisation funds that adapt their legal regime to the special requirements of this legislation. In turn, the management company may delegate its tasks, notwithstanding its remaining responsible for this activity under the requirements of the legislation applicable to investment firms (IFs).

The callable capital required will be that envisaged for asset securitisation fund management companies.⁴⁵ This figure will be incremented by 0.02% of the total book value of the assets under the BAF's management above a threshold of €250 million. For this purpose, the eligible equity capital will be as established in the regulations applicable to IFs.

If the management company has a level of equity capital less than the minimum required, it is to submit a plan to the CNMV setting out how it intends to return to compliance and

⁴³ The Law envisages that in the subsequent transfer of property the number of years over which the increase in value of the land is deemed to have taken place will not be interrupted by any transfers due to operations of this kind.

⁴⁴ Royal Decree-Law 24/2012 provides that, in accordance with the terms of the regulations, groups of AMC assets and liabilities may be formed into separate blocks of assets, which may hold rights and obligations, although the lack a separate legal personality.

⁴⁵ Asset securitisation management companies must have a share capital of at least €900,000.

the estimated timescale, which may not exceed three months. The CNMV may establish measures additional to those proposed by the entity.

The management company's remuneration will be calculated in accordance with procedures compatible with each FAB's investment and risk management policy. This policy must seek to avoid the emergence of incentives towards management contrary to the objectives established in these policies.

The management company may approve internal rules of conduct governing the activities of directors, executives, employees, representatives and persons or entities to which the company may delegate functions. It will include internal units verifying regulatory compliance, risk control and internal audit, which shall be duly separated from the operational units. These units are to have a size and structure consistent with the complexity and volume of the assets under management.

In addition, the regulations have been established for a special regime whereby securitisation management funds may be converted into BAF management companies. To do so, they need to obtain official approval of their application from the CNMV, by submitting a plan for the amendment of their articles of association to broaden their corporate purpose to include the representation and management of BAFs, together with a report explaining the changes involved in the adaptation.

The CNMV may require accreditation of compliance with any other feature of the legal framework for BAF management companies.

Finally, management companies will be subject to the CNMV's supervisory, inspection and sanction regime under the terms established in the regulations on asset securitisation funds, with the adaptations envisaged in this legislation.

Rules on the transfer of assets and liabilities

The transfer of assets to a BAF by the SAREB will be subject to the general rules established for AMCs, with certain specific details. Thus, the transfer of the assets will be full and unconditional, and for the total remaining period up until maturity, if any. Moreover, the transferor will not grant any guarantees to the BAF, nor insure in any other way the satisfactory outcome of the credit claims transferred or, in general, the value or quality of the assets or rights transferred.

The transfers of assets and liabilities will be formalised in a contractual document. In the case of the incorporation of assets and liabilities, the BAF management company will submit to the CNMV a document signed by the SAREB, which will set out the details and characteristics of these assets and liabilities.

Securities issues

Issues of securities by BAFs will be governed by the provisions of this legislation. The BAF's articles of association may envisage the creation of a syndicate holding securities issued by the BAF which will be governed by the provisions of the Law on Capital Companies, with certain adaptations.

These include the rule that the commissioner of the syndicate may only attend the general meeting of the shareholders of the management company with the right to speak but not vote during discussions affecting the BAF. Also, in the case of any delay in payment of the interest due or repayments of the capital, the commissioner may not propose to the board the suspension of any of the directors, or the enforcement of collateral obligations, as envisaged in the Law on Share Capital Companies.

Merger and division

A merger consists of one or more BAFs transferring all of their assets and liabilities to another existing or newly created BAF, resulting in the dissolution without liquidation of the BAF or BAFs. BAF management companies must jointly draw up merger plans, the minimum content of which is set out in Royal Decree 1559/2012. These plans must be published on the management company's website.

Division is an operation whereby one or more BAFs transfer a set of assets to another existing or newly created BAF.

Creditors will have the right to oppose these operations. However, the articles of association of the BAFs may allow a regime whereby this right is excluded or limited, provided that bodies representing creditors are envisaged that have mechanisms by which they can adopt collective decisions on these operations.

Reporting obligations

The management company must prepare and publish the following information on its website: 1) the articles of association and other public deeds issued subsequently in relation to each fund, and the documentation by which contributions of assets and liabilities are made; 2) the six-monthly report and annual report of each of the BAFs it manages;⁴⁶ and 3) any significant information relating to the transfers of assets and liabilities by the SAREB in order to ensure that all the circumstances affecting the securities issued by the BAF and their profitability are publicly known and that this information is up-to-date.

The management company must also inform the CNMV and creditors immediately of any particularly significant facts regarding the situation or progress of each BAF and any facts or events that may have a material effect on the securities issued and, where appropriate, the elements that make up their assets and liabilities.

The CNMV may gather additional any information from BAFs that it considers necessary in the exercise of its powers and may determine the content of this information and how it is to be forwarded.

The FROB may take on an exposure to the BAFs for a limited period, specifically until the SAREB is wound up.

Taxation of BAFs

The tax rules applicable to BAFs are set out in Law 9/2012 and cover two distinct phases: the first phase is the period in which the FROB is exposed to the BAFs; and the second when it ceases to be exposed to them.

In the first phase, BAFs will be liable for corporate income tax at a rate of 1%. After the winding up of the AMC, BAFs will be liable for tax at the normal rate. In both periods, the tax regime envisaged for collective investment institutions (CIIs) will be applicable.⁴⁷

BAFs' investors will be subject to the tax rules applicable to shareholders or investors in collective investment institutions under Law 25/2003 of 4 November 2003 on CIIs,⁴⁸ establishing

⁴⁶ The management company must publish an annual and six-monthly report on each BAF in order to ensure that all the circumstances that may potentially influence the institution's valuation and prospects and its compliance with the applicable legislation are publicly known and that this information is up-to-date

⁴⁷ See Chapter V of Title VII of the consolidated tax of the Corporate Income Tax Law, enacted by Legislative Royal Decree 472004, 5 March 2004.

⁴⁸ They will be considered the tax payer's property income, and thus income obtained from the sale of shares or investments or the reimbursement of the latter will be included in the taxpayer's taxable income along with profits distributed by the CII.

certain specific details applicable during the first phase. As established above for the SAREB's operations, the transfers of assets and liabilities by an AMC, or any entities it has set up to undertake its corporate purpose, and transfers between different BAFs, will be exempt from transfer tax and stamp tax, and the tax on the increase in value of urban land. Moreover, duties will not accrue on any necessary notaries' and registrars' formalities in those cases where the FAB is the party legally required to settle them.

Royal Decree 1559/2012 came into force on 17 November 2012.

Credit institutions: minimum core capital requirements

Banco de España Circular CBE 7/2012 of 30 November 2012 (BOE 11 December 2012), addressed to credit institutions, on minimum core capital requirements.⁴⁹

As envisaged in Royal Decree-Law 24/2012 of 31 August 2012 (repealed by Law 9/2012 of 14 November 2012), as of 1 January 2013 the core capital requirements that credit institutions or, where applicable, their consolidated groups⁵⁰ are to meet have been modified, unifying the two existing requirements⁵¹ into one single requirement of 9% of total risk-weighted exposures.

These two pieces of legislation also modified the definition of core capital (*capital principal* in Spanish) to bring it into line with the definition of core capital the European Banking Authority used in its recapitalisation exercise, both in terms of the eligible items and the applicable deductions, as per Recommendation EBA/REC/2011/1, empowering the Banco de España to dictate the provisions necessary for its execution, which is the object of Circular 7/2012.⁵²

EQUITY ITEMS ELIGIBLE AS CORE CAPITAL

The items making up credit institutions' core capital (*capital principal*) are:

- 1) Share capital (insofar as it has lower priority than all other types of credit in the case of bankruptcy and liquidation), excluding redeemable and non-voting shares, savings banks' initial capital and equity units, and contributions to the capital of credit cooperatives.

The institution may not create any expectations at the time of issue that the share capital instrument will be repurchased, redeemed or repaid. The capital contribution to the absorption of the issuer's losses will be considered to be diminished when any of the holders are given any type of preference in the distribution of earnings or in liquidation. Neither the issuer nor any group

⁴⁹ The concept of core capital, referred to a *capital principal* in Spanish, was introduced into Spanish legislation by Royal Decree-Law 2/2011 of 18 February 2011, to strengthen the financial system, in line with the new international capital standards defined by the "Basel III" accords, which will start to be applied in the European Union in 2013.

⁵⁰ Branches in Spain of credit institutions authorised in other countries are excluded.

⁵¹ A general requirement of 8% and a requirement of 10% for institutions that have not placed at least 20% of the instruments representing their capital with third parties and which have a wholesale finance ratio of over 20%.

⁵² Law 9/2012 also amended the first transitional provision of Royal Decree-Law 2/2011 of 18 February 2011 on the strengthening of the financial system as regards the strategy of compliance with capital requirements, such that those credit institutions or consolidated groups that do not have the required capital on 1 January 2013 must submit to the Banco de España within twenty working days the strategy and timetable for compliance to be achieved by 30 June 2013. These measures must be approved by the Banco de España, which may require any modifications or the inclusion of additional measures it sees fit to ensure compliance. Nevertheless, credit institutions or consolidated groups that expect to fail to meet these core capital requirements are to notify the Banco de España, which must approve the tentative compliance strategy and timetable submitted by the institution for the case in which this noncompliance is confirmed. After the expiry of the aforementioned periods, noncompliance with core capital requirements will be considered a serious or very serious infringement, pursuant to Law 26/1988 of 29 July 1988, on discipline and intervention in credit institutions.

company may insure or guarantee the disbursed amount or its remuneration, nor may this be the object of guarantees, commitments or any agreement that enhances, legally or economically, the preference of the potential collection right.

Eligible shares or securities will be excluded when held by the institution or any consolidated entity, whatever the portfolio to which they belong for accounting purposes, as will those which have been the object of any operation or commitment limiting their effectiveness as coverage for the institution or group's losses.⁵³

- 2) Issue premiums disbursed in the subscription of ordinary shares or the instruments envisaged in the preceding sub-section.
- 3) Effective and express reserves, including the equity fund and savings bank and confederation of savings banks unit-holder reserve fund, and the elements and value adjustments classified as reserves by the regulations on the equity of credit institutions. In particular, effective and express reserves include those generated from profits, in the case of a credit balance, including the retained earnings account and any amounts that are not recognised on the profit and loss account, are to be recognised on the accounts, whatever their origin, in the "other reserves" account, pursuant to CBE 4/2004 of 22 December 2004,⁵⁴ on public and confidential financial reporting rules and formats.

Provisional positive earnings accruing over the course of the accounting period can also be incorporated in the reserves, in accordance with certain criteria specified in the circular. In particular, there must be a formal decision by the institution's governing body based on accounts verified by external auditors and the provisional earnings must have been approved by the audit committee or equivalent body, and be free of foreseeable charges.

- 4) Shares representing minority interests in the form of ordinary shares in companies in the consolidated group, insofar as they are actually paid up, excluding the part attributed to them in the revaluation reserves and in the valuation adjustments included in the equity of the consolidated group.
- 5) Eligible instruments subscribed by the FROB, in accordance with its regulatory framework, which are also eligible as core capital under the applicable capital requirement rules.

⁵³ In particular, the following are excluded: 1) futures purchased (net of futures sold, free of counterparty risk) and those sold to third parties with a return option open to a group entity, or a forward repurchase commitment by a group entity, and long positions in equity swaps on treasury shares and synthetic purchases of treasury shares, where the synthetic is understood to be the combination of a call option bought and a put option sold with the same strike price and expiration date. In such cases, the deduction will be effected at the value with which the underlying shares are registered on the accounts, without prejudice to the losses that changes in the price of the derivative may produce; 2) indirect positions in shares, contributions and other eligible securities such as the institution's equity, maintained through net positions in indices that include them; and 3) direct and indirect finance to third parties whose object is the purchase of shares, contributions or other eligible securities by the institution granting them or other entities in its consolidated group.

⁵⁴ See "Financial regulation: 2004 Q4," *Economic Bulletin*, January 2005, Banco de España, pp. 3-7.

- 6) Instruments convertible into ordinary shares, savings banks' non-voting equity units or contributions to the capital of credit cooperatives, which the Banco de España classes as eligible as they comply with the requirements for their being included in the core capital calculation and because they meet the other conditions set by the EBA.⁵⁵

The board of directors, or equivalent body, of the issuing credit institution may, at its discretion, cancel payment of remuneration for an unlimited period, whenever it sees fit, without accrual of the unpaid remuneration. This cancellation will be obligatory if the issuing credit institution, or its consolidated group or subgroup, is in breach of its equity capital requirements.

In any event, payment of this remuneration will be conditional upon the issuing credit institution's having profits or distributable reserves and its obtaining authorisation from the minister for Economic Affairs and Competitiveness, following a report from the Banco de España. The latter may demand cancellation of the payment of remuneration based on the financial situation and solvency of the issuing institution, or its consolidated group or subgroup. Contracts and issue prospectuses must state that discretionary cancellation of the remuneration does not constitute an event of default.

Nevertheless, the payment of remuneration may be replaced, if so established in the issue conditions, by granting new ordinary shares in the issuing credit institution (or savings banks' equity units or contributions to the capital of credit cooperative), provided that this allows it to preserve its financial resources.

The contractual clauses of instruments convertible into equity must establish, among other points, mechanisms that ensure participation of their holders in the absorption of current or future losses, through their conversion into ordinary shares of the issuing credit institution in any of the following circumstances: 1) the institution has a common equity tier 1 ratio of less than 5.125%; 2) the institution has a core tier 1 ratio (according to the EBA/REC/2011/1 definition) of less than 7%; 3) its core capital ratio is less than 7%; 3) the Banco de España decides that the institution would not be viable without the conversion; or 4) the decision is made to inject public capital or other support without which the institution would not be viable.

The instruments will be perpetual, unless mandatory conversion on a specific date is foreseen. In the event that the contractual conditions envisage early redemption at the issuer's initiative, this may not take place within less than five years of the disbursement of the issue, must not affect the financial situation or solvency of the institution, and prior authorisation must be obtained from the Banco de España.

Moreover, the contractual clauses: 1) may not include incentives for early redemption, whether direct, such as increments in the associated interest rate, or indirect, such as envisaging higher remuneration when the credit quality of the issuer or its group companies deteriorates; 2) may not create any expectations that the call option will be exercised or that the issuer will be reimbursed in any other way; and 3) must state that default on payment of remuneration or the principal will not entitle the investor to commence bankruptcy proceedings or demand early redemption of the issue.

⁵⁵ Convertible instruments will be excluded when held by the institution or any consolidated entity, as will those that have been the object of any operation or commitment limiting their effectiveness as coverage for the institution or group's losses.

DEDUCTIONS FROM EQUITY
ITEMS ELIGIBLE AS CORE
CAPITAL

The following amounts will be deducted from the sum of the above items:

- 1) Losses carried forward from previous years, which are recognised as the debit balance of the reserve account (accumulated losses), and losses on the current year, including the year's earnings (losses) attributed to minority shareholders, and the elements and valuation adjustments assimilated to negative results in accordance with the regulations on credit institutions' equity capital.
- 2) Intangible assets recognised in the total assets, including, where applicable, the goodwill from business mergers, consolidation or the application of the equity method. In the case of goodwill, the amount that is to be deducted will be the net book value of the associated deferred tax liabilities.
- 3) 50% of the value of certain assets, including, *inter alia*, the following:
 - a) Holdings in financial institutions that may be consolidated in view of their business type, but which are not included in the consolidated group, where such holdings comprise more than 10% of the share capital of the investee entity.
 - b) Holdings in insurance and reinsurance companies or in entities whose main business is that of a holding company for insurance undertakings, or which, directly or indirectly, hold 20% or more of the voting rights or capital of the investee entity.
 - c) Subordinated finance or other securities computable as equity capital issued by investee entities as referred to in the two preceding sub-paragraphs and acquired by the entity or group owning the shareholding.
 - d) Shareholdings of 10% or less of the capital of financial institutions that may be consolidated in view of their business type, but which are not included in the consolidated group, and subordinated finance or other securities eligible as equity capital issued by entities of this type, whether part-owned or not, and acquired by the entity or group holding the stake, to the extent that they exceed 10% of the positive items making up the core capital, net of negative earnings and intangible assets.
 - e) The total securitisation exposure with a risk weighting of 1250% in accordance with the rules applicable to equity capital requirements, except when this amount has been included in the calculation of weighted risks for the calculation of equity requirements to cover securitised assets, whether held on the trading book or not.

PERIODIC INFORMATION ON
CORE CAPITAL

Credit institutions will be obliged to send the Banco de España quarterly core capital statements and to comply with the requirements for these statements set out in the annex to the circular. These statements must be submitted by telematic means.

This circular comes into force on 1 January 2013, and institutions are required to prepare an exceptional core capital statement, considering the risk weighting of the assets held on 31 December 2012, pursuant to Law 13/1985 of 25 May 1985 on investment ratios, own funds and reporting requirements for financial intermediaries, and in its implementing regulations. The deadline for submission of this statement is 28 February 2013.

**Credit institutions:
modifications to the rules
on public and confidential
financial information**

Circular CBE 6/2012 of 28 September 2012 was published in the BOE on 2 October 2012 and amends CBE 4/2004 of 22 December 2004, on public and confidential financial information, and standard formats of financial statements.

The circular's main purpose is to adapt CBE 4/2004 to the provisions of Royal Decree-Law 18/2012 of 11 May 2012, on the writing down and sale of the real-estate assets of the financial sector. It also addresses the inclusion of certain information relating to refinancing and restructuring operations, and geographical and sector risk concentration. Finally, in line with these changes, the Circular modifies the confidential statements currently in force and adds certain new ones.

The main new features are as follows:

**INCREASED PROVISIONING OF
REAL-ESTATE ASSETS**

Under Royal Decree Law 18/2012 of 11 May 2012 (now repealed by Law 8/2012), new provisions were established for loans relating to development land and property constructions or developments corresponding to the business in Spain of credit institutions that, on 31 December 2011, were classed as standard exposures.⁵⁶

**MINIMUM TRANSPARENCY
REQUIREMENTS FOR ASSETS
FORECLOSED OR RECEIVED IN
PAYMENT OF DEBT**

Certain minimum transparency criteria have been established regarding assets foreclosed or received in payment of debts applicable to the information requirements on the relevant asset-management companies established or part-owned by the institution. Specifically, institutions are to draw up a list of the companies they have created or in which they are shareholders (stating their percentage interest in the capital of these companies), together with the following information: 1) accumulated volume, up to the date of the annual accounts, of the assets transferred to these companies; 2) book value on the date of the annual accounts of the financial assets received in exchange (distinguishing between debt and equity instruments); 3) volume of assets transferred and financial assets received in exchange in the accounting period and the impact of these transactions on the year's profit and loss statement; and 4) a description of the lines of finance granted, with an indication of their purpose, amount, financial terms and accounting classification.

**INFORMATION ON REFINANCING,
REFINANCED AND
RESTRUCTURED OPERATIONS**

Among the rules on the information that credit institutions are to disclose in their individual and consolidated annual accounts, the circular also addresses the inclusion of information regarding refinancing,⁵⁷ refinanced⁵⁸ and restructured operations,⁵⁹ and the concentration of exposures in sectors and geographical areas.

⁵⁶ As mentioned above, for these types of finance the percentage coverage indicated below will be set aside on a one-off basis: in the case of mortgage lending for property construction or development, the percentage obligatory provision has been increased by 45 percentage points (pp) in the case of land (from 7% to 52%), 22 pp in that of property developments in progress (from 7% to 29%), and by 7 pp in that of completed property developments (rising from 7% to 14%). In the case of unsecured property construction or development loans, the mandatory provisions will be increased by 45 pp in all of the cases above (from 7% to 52%).

⁵⁷ A refinancing operation is one which, irrespective of the holder or guarantees, is granted or used for economic or legal reasons relating to the holder's actual or foreseeable financial difficulties to cancel one or several operations granted by the same institution or other entities in its group, to the holder or other companies in its economic group, or whereby these operations are brought wholly or partially up to date on payments, in order to facilitate their debt payment (capital and interest) because they are unable, or it is envisaged that they will become unable, to comply with their terms in due time and form.

⁵⁸ A refinanced operation is one that is brought wholly or partly up to date on payment by means of a refinancing operation by the institution or another entity in its economic group.

⁵⁹ A restructured operation is one in which, for economic or legal reasons relating to the holder's actual or foreseeable financial difficulties the financial terms are modified in order to facilitate payment of the debt (capital and interest) as the holder is unable, or likely to become unable, to comply with the terms in due form and time, even when this modification is envisaged in the contract. In any event, operations will be considered restructured when there is a haircut or new assets are received to reduce the debt, or in which there is a modification of the terms to extend the maturity period, vary the amortisation table to reduce instalments in the short term or reduce their frequency, or establish or extend the capital repayment and/or interest grace period, except when it can be shown that the conditions are modified for reasons other than the holder's financial difficulties and are analogous to those prevailing in the market at the time of the modification to operations granted to customers with a similar risk profile.

Specifically, entities are to disclose the gross amount of these operations with a breakdown of their classification as specially monitored, substandard or doubtful risks (distinguishing the secured part) and each of their respective credit risk hedges, broken down by counterparties and object. This breakdown will indicate the value of the operations in the period that have been classed as doubtful subsequent to their refinancing or restructuring.

Institutions that are authorised to use internal models to calculate their equity capital requirements to cover credit risk must state, in the breakdown by counterparties and purpose, the average probability of breach of these sets of operations on the reporting date of the financial statements.

Institutions are to include a short summary of their refinancing and restructuring policy, indicating the main characteristics of the refinancing and restructuring measures the institution uses for different types of loans and credit, and an explanation of the criteria it uses to assess the sustainability of the measures applied.

INFORMATION ON CUSTOMER FINANCING

The Circular also provides that institutions are to report their total loans and advances to customers, broken down by the sector to which borrowers belong and the purpose of the loan. Additionally, it requires that secured loans be distributed by tranches as a function of their loan to value ratio.

INFORMATION ON RISK CONCENTRATION

The Circular also establishes that institutions are to provide aggregate information about their risk concentration (including the book value of their assets and the nominal value of contingent risks), broken down by geographical area and segment of activity, and in turn, distributed between credit institutions, government, other financial institutions, non-financial corporations and individual businesspeople (distinguishing, according to purpose, between construction and property development, civil engineering construction, and other purposes) and other households and non-profit institutions serving households (distinguishing, according to purpose, between homes, consumption and other purposes).

OTHER CHANGES

Finally, in line with these changes, the Circular updates the current confidential statements and adds a number of new ones. It also introduces the changes necessary in the special accounting register of mortgage loans to support the new information needed for supervision purposes. Finally, certain changes have been made in the EMU statements, which respond to the euro area's statistical requirements, and which form the basis for the forwarding of this type of information to the ECB.

The Circular came into effect, with certain reservations, on 3 October 2012.

Complaints service: complaint submission procedure

Order *ECC/2502/2012 of 16 November 2012* (BOE of 22 November 2012) has been published, regulating the procedures for the filing of complaints with the Banco de España, CNMV, and the Directorate General for Insurance and Pension Funds (DGSFP) (hereinafter, the "complaints services").

The order sets out the procedures applicable to the submission of complaints, claims and enquiries to the complaints services in order to enhance their operational effectiveness, ensure effective application of the legislation defending users of financial services, and promote good practice in the financial sector.

The publication of this order fulfils the mandate granted by the eleventh final provision of Law 2/2011 of 4 March 2011 on sustainable economy,⁶⁰ continuing current practice, namely that complaints services continue to operate on the basis of a one-stop-shop, as described below.

ONE-STOP SHOP

Any complaint or claim may be submitted to any of the three complaints services, irrespective of its content. If the complaints service receiving the claim or complaint does not have the competency to proceed with it, it will forward the complaint to whichever complaints service is competent.

When, the content of a complaint, claim or enquiry is such that it corresponds to more than one complaints service, the case will be handled by the relevant service according to the legal nature of the institution against which the complaint has been made. This service will request reports from other complaints services concerning the matters corresponding to their areas of competency and integrate them into its final report.

Moreover, the complaints services may reach agreements with one another to organise the assistance needed in the exercise of their competencies so as to harmonise and improve practices in the exercise of these functions.

PARTIES ELIGIBLE TO FORMULATE COMPLAINTS, CLAIMS AND ENQUIRIES

The following are entitled to submit complaints,⁶¹ claims⁶² and enquiries:⁶³ 1) Spanish and foreign natural and legal persons, as users of financial services, provided they refer to their legally recognised rights and interests, or when they are making an enquiry regarding their rights concerning transparency and customer protection and the legal channels available for their exercise; 2) persons or entities acting in defence of the specific interests of their customers, investors, insurance policy holders, insureds, beneficiaries, injured third parties, or right-holders of any of the foregoing, together with pension plan members and beneficiaries; and 3) associations and organisations representing the legitimate collective interests of users of financial services, provided that such interests are affected, and that these entities are legally authorised to act in their defence and protection.

SUBMITTING COMPLAINTS AND CLAIMS

It will be necessary to demonstrate that a complaint has been made to the customer service department of customer ombudsman of the institution against which the complaint is made prior to the complaint or claim being admitted and processed.

Complaints and claims are to be submitted on a form⁶⁴ in either paper or electronic format that financial institutions are to make available to their users.

⁶⁰ See "Financial regulation: 2011 Q1," *Economic Bulletin*, April 2011, Banco de España, pp. 163-168.

⁶¹ These include complaints by users of financial services regarding delays, neglect or any other failing in the actions of financial institutions against which the complaint is filed.

⁶² These include claims made by users of financial services in relation to specific facts or acts or omissions by financial institutions where such claims are made with a view to obtaining compensation for the harm to the user's interest or right, which the latter considers has been prejudiced by breaches on the part of the institution against which the complaint is made, the regulations on transparency and customer protection, or good practices in financial business.

⁶³ Enquiries are considered to be requests for advice and information on questions of general interest concerning the rights of users of financial services as regards transparency and customer protection, or regarding the legal channels for the exercise of these rights.

⁶⁴ This form must contain at least: 1) the complainant's identity; 2) the identity of the institution against which the complaint is made; 3) the reason for the complaint or claim, with the express statement that it is not currently pending resolution or litigation before any administrative, arbitration or judicial bodies; and 4) accreditation that two months have elapsed since the claim or complaint was filed with the customer care department or service, or the office of the customer or member ombudsman, with no resolution being given, or that the application has been refused or declared inadmissible, in whole or in part.

The Order also sets out the cases and grounds for inadmissibility of complaints or claims to the complaints services.⁶⁵

The complaints services may investigate, ex officio, conduct revealed in the case, even where this is not the object of the complaint, following a request for a statement from the institution.

A file on a claim must be closed with a report within not more than four months, that on a complaint within three months, both as of the time of submission of the claim or complaint to the competent complaints service. If this is not possible, the reasons for the delay must be expressly stated in the report. This report, which is to set out its reasons, must contain clear conclusions which specify whether the rules of transparency and protection have been infringed, and whether the institution has abided by financial sector good practice. It will not be binding and will not be considered an administrative act subject to appeal.

If the report finds against the institution against which the complaint was made, the institution must give express notice as to whether or not it accepts the report's arguments, and where applicable, provide documentary evidence of having corrected the situation referred to by the complainant within one month.

If the processing of complaint and claim files reveals data that may indicate punishable conduct, in particular where there are signs of serious or reiterated breach of transparency or customer protection rules, or signs of criminal conduct, infringements of tax, consumer, competition or other legislation, are detected, the complaints service may inform whatever department or body has competence to deal with the matter.

ENQUIRY PROCEDURE

As in the case of complaints and claims, enquiries may be submitted either on paper or in electronic form via the electronic registers provided by the complaints services.

Enquiries must state: 1) the identity of the person or entity to which the question refers; 2) the relevant background and circumstances; 3) doubts raised by the applicable legislation; and 4) other details or elements that may contribute to the competent complaints service's forming an opinion on the matter.

Enquiries must under no circumstances refer to a specific operation involving a specific entity, without prejudice to the possibility of submitting the corresponding complaint. Enquiries may not refer to the material conditions under which operations are carried out, provided that they comply with the standards of transparency and customer protection. Enquiries concerning the insurance of major risks are also excluded.

The competent complaints service will answer the question addressed to it, setting out in its conclusions the applicant's rights in relation to transparency and customer protection, and the legal channels available for their exercise.

⁶⁵ These include: 1) when an attempt is made to process appeals or other actions for which administrative, arbitration or judicial bodies, or those pending litigation before such bodies as claims or complaints regulated under these procedures; 2) when disputes arise as to the economic value of the loss or damage that users of financial services may have suffered; 3) when enquiries regarding transparency and customer protection, or the legal channels available for their exercise, are articulated as complaints or claims, without prejudice to their being processed as an enquiry, of which the interested party will be informed; 4) when claims or complaints reiterate others already resolved and which have identical or substantially similar content and basis, with respect to the same subject and with the same object in terms of merits; and 5) when claims or complaints are submitted to the DGSEP complaints service in relation to major risks contracts, collective insurance or pension plans that articulate pension commitments of companies to their workers or their beneficiaries, that do not refer to the status of user of financial services of insurance companies or pension fund management entities.

The reply to the enquiry will be for information purposes only. It shall not be binding in relation to any persons, activities or scenarios envisaged in the enquiry.

This Order will come into force on 22 May 2013.

**Cooperation agreements
in relation to government
debt investment funds:
updating of regulations**

Order ECC/2682/2012 of 5 December 2012 (BOE of 15 December 2012) modifying Order EHA/2688/2006 of 28 July 2006 on cooperation agreements regarding government debt investment funds (Fondtesoro).

The order expands the range of assets in which Fontesoros can invest, in order to widen their management companies' scope for action and make these products more attractive to investors.

Until now, it was mandatory for 70% of Fondtesoros' total exposure, or that of their sub-funds, to be in some form of government debt. This included bonds issued by Asset Securitisation Funds for Small and Medium-Sized Enterprises (FTPymes) which are backed by a government guarantee, up to the limit of 20% of the assets of the fund or sub-fund.

As of the entry into force of the order, this section has been expanded to cover FROB issues, issues by the Electricity Deficit Amortisation Fund (FADE), debt issued directly by the Official Credit Institute (ICO), credits from the Fund to Finance Payments to Suppliers (FFPP) when they are converted into bonds, and bonds issued by the asset securitisation fund for loans against officially protected homes (FTVPO) which has a guarantee from the ICO, given that they are of similar nature and creditworthiness. The upper limit on investments in all these assets has also been raised from 20% to 30% of the fund or sub-fund's assets.

The remaining 30% of the fund's or sub-fund's total exposure may be invested in other fixed-income securities other than government debt, traded on a regulated market and with a solvency rating not less than that of the Kingdom of Spain issued or endorsed by a credit rating agency⁶⁶ (formerly the credit rating was required to be A+, A1 or equivalent or higher), and in deposits in credit institutions that have been awarded at least this minimum rating and in money market instruments complying with this requirement, all denominated in euros. Investments which held the legally established rating at the time of acquisition but subsequently lost it will also remain eligible if the manager establishes that solvency levels are adequate following an analysis of the asset's credit risk, using appropriate methodologies and considering different indicators or parameters commonly used in the market.

As before, derivative financial instruments are permitted in order to ensure adequate hedging of the risk exposures in all or part of the portfolio, as an investment to manage the portfolio more effectively, or as a part of portfolio management to achieve a specific profitability goal, in accordance with the management objectives envisaged in the prospectus and the fund's regulations. The underlying financial instruments for these derivatives must be euro-denominated fixed-income securities or fixed-income indices and comply with the general regulations on investments of this type for collective investment institutions (CIIs).

⁶⁶ Ratings must be issued or endorsed by an agency established in the European Union and registered pursuant to Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, or in the case of ratings by entities established or financial instruments issued outside of the European Union or which have been issued by a rating agency established in a non-Member State of the European Union, which has obtained its rating based on the equivalence set out in the aforementioned regulation.

Finally, the content of the Fondtesoro prospectus has been adapted to the provisions of Law 35/2003, 4 November 2003, on CIIIs,⁶⁷ amended by Law 31/2011, 4 October 2011,⁶⁸ regulating a new information instrument referred to as the document with basic data for investors which will include, at least, the investment criteria and system of investor remuneration.

Fondtesoros must conform to the provisions of this Order within six months of its date of publication. In the following three months, Fondtesoro management companies must adapt their prospectuses and documents with the basic data for investors regarding the Fondtesoros they manage.

The Order entered into force on 16 December 2012.

Changes to the regulations stepping up efforts to prevent and combat fraud

Law 7/2012 of 29 October 2012 amending the fiscal and budgetary legislation and adapting financial legislation to intensify measures to prevent and combat fraud was published in the BOE on 30 October 2012.

The most significant changes from the financial and fiscal point of view are the following:

Restrictions on cash payments

Payments in cash exceeding €2,500 (or the foreign currency equivalent) are, as a general rule, no longer allowed when either of the parties is acting in a business or professional capacity. However, this limit will be €15,000 (or the foreign currency equivalent) when the payer is a natural person who is able to demonstrate that he or she is not resident in Spain for tax purposes and is not acting in a business or professional capacity. This limitation will not be applicable to deposits and payments to and from credit institutions.

For the purposes of this calculation, the sum of all operations or payments into which the delivery of goods or services may have been divided will be taken.

Breach of this limitation will be sanctioned with a fine equivalent to 25% of the value of the cash payment.⁶⁹ Both the payer and the payee will be jointly liable for the infringement, such that the tax authorities may take action against either or both of them. If either of the parties voluntarily reports the infringement to the tax authorities within three months of the date of the payment the reporting party will not be liable for the sanction.

The infringement will be time barred five years after the date on which it took place.

FOREIGN ACCOUNTS, SECURITIES, AND PROPERTY ASSETS

The law establishes a new obligation on holders, beneficiaries or authorised signatories of foreign accounts or securities to declare these assets in the manner stipulated in the regulations. In particular, these declarable assets include: 1) accounts held abroad with banks and other credit institutions; 2) shares, assets or securities or other claims to share capital, equity or assets of any kind in institutions deposited or held abroad; 3) life and disability insurance and annuities or temporary income received as a result of a capital outlay in cash, movable or immovable property, contracted with entities established abroad; and 4) foreign immovable property and rights relating to it.

⁶⁷ See "Financial regulation: 2003 Q4," *Economic Bulletin*, January 2004, Banco de España, pp. 84-87.

⁶⁸ See "Financial regulation: 2011 Q4," *Economic Bulletin*, January 2012, Banco de España, pp. 142-146.

⁶⁹ The sanction will be compatible with other sanctions that may be applicable as a result of the commission of tax infringements or due to breach of the obligation to declare means of payment established in Law 20/2010 of 28 April 2010 on the prevention of money laundering and terrorist financing.

Breach of this new obligation, failure to comply with it on time, or submitting false or incomplete data, will incur a fine of €5,000 per item or set of data omitted, with a minimum of €10,000.

When the declaration is submitted late, without a prior demand from the tax authorities, the sanction will be €100 per item or set of data,⁷⁰ with minimum fine of €1,500. Similarly, submission of the declaration in any form other than by electronic, computer and telematic means when it is mandatory to do so will be sanctioned.

AMENDMENT OF THE SECURITIES MARKET LAW

The general exemption from VAT, transfer tax and stamp tax has been maintained on changes of ownership of shares, whether traded on an official secondary market or not. As of this Law's entry into force, this exemption no longer applies to parties who have sought to conceal a change of ownership of immovable property behind a sale of company shares so as to avoid incurring taxes due on the transfer of immovable property. Such transactions will now be liable for the tax to which property sales are subject.

Unless proven otherwise, it will be assumed that an attempt has been made to avoid the corresponding tax on the change of ownership of immovable property in the following cases: 1) when control is obtained over an entity of which 50% or more of the assets are properties in Spain which are not associated with business or professional activities, or when, having obtained this control, the share in it is increased; 2) when control is obtained over another entity whose assets include securities permitting it to exercise control over another entity of which 50% or more of the assets are properties in Spain which are not associated with business or professional activities, or when, having obtained this control, the share in it is increased; and 3) when the securities transferred have been received as a result of contributions of immovable property made at the time of a company's incorporation or capital increase, provided that they are not associated with business or professional activities and that less than three years have elapsed between the time of contribution and transfer.

CHANGES TO THE GENERAL TAX LAW

A series of changes have been made to Law 58/2003 of 17 December 2003, General Tax Law, the main changes affecting the financial sphere are described below. These include, in particular, the new serious tax infringement (mentioned earlier in relation to the obligation to declare foreign assets), arising when self-assessments or information returns are submitted other than by electronic, computer or telematic means when it is mandatory to do so. This implies fixed sanctions in the case of self-assessments and variable sanctions depending on the number of items of data concerned in the case of information returns.

Thus, in the case of individual requirements or returns generally required in compliance with the obligation to furnish information, in the case of data not expressed in monetary amounts, the sanction will be €100 for each item or set of data, with a minimum of €1,500, in relation to a single person or entity when the declaration has been submitted other than by electronic, computer or telematic means when it is mandatory to do so. In the case of data expressed in terms of monetary amounts, the sanction will be 1% of the amount of the operations declared, subject to a minimum of €1,500. In particular, in the case of self-assessments, statements or documents relating to customs obligations, submitted other than by electronic, computer or telematic means when it is mandatory to do so, the sanction will be a fine of €1,500.

⁷⁰ Either referring to each of the accounts or each asset item (immovable property or otherwise) considered individually according to its class.

Specific sanctions are also stipulated for tax infringements in the form of resistance, obstruction, or refusal to cooperate with actions by the tax authorities when the taxpayer is the object of inspection procedures, the sum of which will vary depending on whether the individuals or entities concerned conduct economic activities or not.

CHANGES TO DIRECT TAXATION

The treatment of unsubstantiated capital gains in relation to assets and interests not included in the information return on foreign assets and interests has been modified in the case of both personal income tax and corporate income tax to include these earnings in the general taxable income for the oldest tax period not time-barred and thus open to regularisation by the tax authorities.

In such cases a specific sanction of 150% of the gross taxable amount corresponding to the aforementioned unsubstantiated income will be incurred.

CHANGES IN INDIRECT TAXATION

A series of changes have been made affecting value added tax (VAT), particularly in the case of property transactions and situations where bankruptcy has been declared.

In relation to the former, two new cases have been defined regarding the transfer of immovable property in operations by business people or professionals. The first is that of exempt transfers (non-building land, and second and subsequent transfers of buildings) when the taxable person waives the exemption. The second is when the transfer of ownership takes place as a result of foreclosure of assets pledged as collateral. This scenario has been expressly extended to the case of dation in payment, where the acquirer undertakes to cancel the debt in exchange for the property securing it.

This aims to avoid the double loss to the public treasury from the non-payment of VAT income from the transferring entity and the VAT deduction by the acquirer.

In cases where there is a voluntary declaration of bankruptcy during a tax settlement period, there is an obligation to submit two returns and settlements: one in relation to taxable events prior to the declaration of bankruptcy and another for those subsequent to it, under the terms set out in the regulations. In the first of these returns the party in bankruptcy proceedings is obliged to apply the totality of the offsettable balances carried over from settlement periods prior to the declaration of bankruptcy.⁷¹

Finally, a new type of tax infringement has been defined, together with its corresponding sanctions, for the filing of incomplete or incorrect returns on certain operations assimilated to goods imports. The sanction implies a fine equivalent to 10% of the tax due in relation to operations omitted, or incorrectly or incompletely reported in the return and settlement.

The Law came into effect on 31 October 2012, except the restriction on cash transactions, which came into effect on 19 November 2012. The latter will be applicable to all payments made since that date, even when they relate to operations arranged prior to the restriction's being imposed.

Obligation to disclose foreign assets and interests, and other changes to tax law

Royal Decree 1558/2012 of 15 November 2012 (BOE on 24 November 2012), adapting the implementing regulations of Law 58/2003 of 17 December 2003, General Tax Law, to

⁷¹ Under the current regulations there is just one tax return and settlement. For this reason, the double return and payment has been established in order to determine whether given credits are in the bankruptcy proceedings or against the assets, given that VAT credits for taxable events prior to the declaration of bankruptcy must be classed as being included in the bankruptcy proceedings.

European Union and international regulations on mutual aid, establishes the obligation to declare foreign assets and interests, and modifies the regulations on mutual agreement procedures on direct taxation, approved by Royal Decree 1794/2008 of 3 November 2008.

CHANGES IN THE FINANCIAL AREA

The Royal Decree makes a number changes to the international disclosure requirements applicable to persons liable for tax⁷² in relation to certain foreign assets and interests. In particular, it creates the obligation to declare accounts held with foreign financial institutions, securities, rights, insurance policies and income deposited, managed or obtained abroad, and immovable property or rights in respect thereof outside of Spain.

Obligation to report accounts with financial institutions located abroad

A declaration reporting accounts⁷³ held with financial institutions located abroad on 31 December each year is to be filed with the tax authorities. This obligation also extends to persons who have been account holders, representatives, authorised signatories or beneficiaries of such accounts, or who have had control over them, or who have been the beneficial owners at any time in the year to which the declaration refers.

The regulation describes the information that must be supplied to the tax authorities, which will include, among other details, the balance on 31 December and the average balance over the last quarter of the year.

This obligation shall not apply to: 1) public administrations, autonomous state agencies and other similar public law entities elsewhere in the public administration; 2) holders who have registered such accounts on an individualised and duly identified basis in their books; and 3) holders of accounts in foreign establishments of credit institutions resident in Spain, provided that such accounts have been declared in accordance with the legislation of the country in which the account is held.

There will also be no obligation to report accounts where neither the balance on 31 December nor the average balance in the last quarter of the year exceeds €50,000. If either of these thresholds is crossed, information must be supplied on all the accounts.

Reporting in subsequent years will only be obligatory when either of the relevant balances increases by more than €20,000 with respect to the preceding statement.

Obligation to report securities, rights, insurance policies and income deposited, managed or obtained abroad

In a similar way to the foregoing, an annual return must be sent to the tax authorities with information about the following types of assets and interests existing on 31 December of each year: 1) securities or rights representing an interest in any type of legal entity; 2) securities representing the assignment to third parties of equity capital; and 3) securities delivered for management or administration under any legal instrument, including trusts or blocks of assets that, although lacking legal personality, may be involved in economic transactions.

This disclosure requirement also applies to any person liable to tax who has been the holder or beneficial owner of such securities or rights at any time during the year to which

⁷² In particular: 1) natural and legal persons resident in Spain; 2) permanent establishments in Spain of non-resident persons and entities; and 3) unsettled estates, joint property and other entities without legal personality that constitute a separate financial or asset unit that is liable for separate taxation.

⁷³ This obligation affects current accounts, savings accounts, time deposits, credit accounts and any other monetary accounts or deposits irrespective of the name or form they take, even if no interest is paid on them.

the declaration refers and who may have ceased to be so before the year end. In such cases, the information that is to be provided will be that corresponding to the date on which this cessation occurred.

The same exemptions have been established as in the case of accounts held abroad, including the minimum limits mentioned.

Disclosure requirement
regarding foreign immovable
property and interests therein

Similarly, owners of foreign immovable property or interests therein will be obliged to submit a report on their situation on 31 December of each year. The information return is to contain various details identifying the property, as specified in the legislation.

This disclosure requirement also extends to any person liable to tax that has been the holder or beneficial owner of the immovable property or interest at any time during the year to which the declaration refers and who may have ceased to be so by 31 December that year. In this case, the information return will also include the date and value of the transfer of ownership of the property or interest.

Similar exemptions and minimum thresholds as in the previous cases apply.

CHANGES IN TAXATION

This Royal Decree transposes into Spanish law Council Directive 2011/16/EU of 15 February 2011, on administrative cooperation in the field of taxation, and completes transposition of Council Directive 2010/24/EU of 16 March 2010, concerning mutual assistance for the recovery of claims relating to taxes, duties and other measures.⁷⁴

The tax authorities have been given powers to request mutual assistance from other states and international or supranational bodies with a view to recovering foreign debts.

The rules applicable to the calculation of interest on late payment accruing on foreign claims are also defined. These are as follows:

- 1) When the debt is paid, the accrued interest will subsequently be settled, processed, and collected in accordance with the tax authorities' general settlement procedures.
- 2) In the case of the realisation of collateral or the seizure and sale of assets, late payment interest will be deducted from the remainder, if any, of the amount obtained from the sale or realisation after the debt has been recovered.
- 3) If cash, claims or monies in accounts are seized, this may be realised and the late payment interest retained at the time of seizure, if the available amount exceeds the debt pursued for collection.

Similarly, the Royal Decree regulates specific aspects of actions arising out of mutual assistance provided by the tax authorities or requested by it from other states, international or supranational entities, the purpose of which may include, *inter alia*, exchanging information and collecting claims and rights. In particular, it sets out the various purposes mutual assistance may have and the attribution of functions in this

⁷⁴ This transposition was begun by Royal Decree-Law 20/2011, of 30 December 2011, on urgent budgetary, tax and financial measures to correct the budget deficit, which incorporated substantive aspects of this topic requiring regulation by law.

area. In turn, to provide legal certainty to the requested authority and greater flexibility to the mutual assistance process, full validity and effectiveness will be given to requests for assistance under these regulations, without the need for them to be recognised or substituted in Spain.

It also establishes a series of common provisions on the application of taxes deriving from all aspects of mutual assistance, i.e. the exchange of information in order to settle taxes, assistance collecting claims, and in general, any other matter that may be established in international regulations.

In turn, it establishes procedures for the forwarding of data supplied by another state or international or supranational entity in the context of mutual assistance, and regulates internal cooperation and liaison between different administrative bodies in one or more areas of government which is necessary in order to comply with the regulations on the various forms of assistance.

Finally, the regulations on mutual agreement procedures on direct taxation, approved by Royal Decree 1794/2008 of 3 November 2008 have been modified in order to clarify their manner of application. In particular, it has been established that such proceedings will require a separate settlement for each tax period affected. Nevertheless, it is also envisaged that a single act may be issued which could include all the settlements deriving from the mutual agreement procedure.

The Royal Decree came into force on 1 January 2013, except the amendments regarding mutual agreement procedures relating to direct taxation, which will be applied to any agreements finalised after 25 November 2013.

**Securities market:
amendment of the
legislation on the
prospectus and
transparency requirements
for securities issues**

With the aim of transposing Directive 2010/73/EU of 24 November 2010 of the European Parliament and of the Council into Spanish law, Royal Decree-Law 24/2012 on restructuring and resolution of credit institutions, repealed by *Law 9/2012 of 14 November 2012* (discussed above), amended Law 24/1988 of 28 July 1988⁷⁵ on the Securities Market, in relation to the prospectus and transparency requirements for securities issues.

The corresponding regulations have recently been implemented in *Royal Decree 1698/2012 21 December 2012* (BOE of 31 December 2012), which introduces a series of amendments to Royal Decree 1310/2005 of 4 November 2005,⁷⁶ partially implementing Law 24/1988 on the admission to trading of securities on official secondary markets, public offerings and the prospectus required for such purposes, and in Royal Decree 1362/2007 of 19 October 2007,⁷⁷ implementing Law 24/1988, in relation to the transparency requirements for information on issues of securities admitted to trading in an official secondary market or another regulated market of the European Union.

This piece of legislation has two goals: firstly, to reduce the administrative burden associated with the publication of a prospectus to accompany a public offer of shares and their admission to trading on regulated markets in the European Union. It also aims to modernise and improve certain aspects of the rules applicable to prospectuses.

⁷⁵ See "Regulación Financiera: tercer trimestre de 1988", *Boletín Económico*, October 1988, Banco de España, pp. 61-62.

⁷⁶ See "Financial regulation: 2005 Q4," *Economic Bulletin*, January 2006, Banco de España, pp. 119-123.

⁷⁷ See "Financial regulation: 2007 Q4," *Economic Bulletin*, January 2008, Banco de España, pp. 191-193.

CHANGES TO THE PROSPECTUS
WHEN SECURITIES ARE
ADMITTED TO TRADING

Changes have been made to the format and content of the prospectus summary in order to adapt it to the European standard. The summary should therefore provide basic information that, in conjunction with the rest of the prospectus, helps investors determine whether or not to invest in the securities offered.

To this end, “basic information” is defined as being that essential and properly structured information that investors need in order to understand the nature of the inherent risks of the issuer, the guarantor and the securities which are being offered or are due to be admitted to trading on a regulated market.

Depending on the offering and the securities concerned, this basic information will include: 1) a short description of the essential characteristics and risks associated with the issuer and possible guarantors, including the assets, liabilities, and financial situation; 2) a short description of the essential characteristics and risks associated with the securities investment in question, including the rights inherent in the securities; 3) the general terms of the offering, including estimated expenses passed on to the investor by the issuer or offeror; 4) information about the admission to trading; and 5) the reasons for the offering and the purpose to which the income raised will be put.

A wider range of scenarios is envisaged in which civil liability may be claimed, such that it now includes cases where the prospectus summary, when read in conjunction with other parts of the prospectus, fails to provide all the basic information allowing investors to make informed decisions, or is insufficient to allow the securities to be compared with other investment products.

The thresholds above which different levels of legal requirements apply have also been updated. Thus, in the case of issues of non-participatory securities the minimum denomination per unit above which it will not be mandatory to include a summary of the prospectus or translate it into Spanish has been raised from €50,000 to €100,000.

To ensure that investors have better access to information, the rules on the registration and publication of the prospectus have been changed to make it mandatory to publish it electronically on the issuer’s website, as well as in print.

Furthermore, to reduce the administrative burden involved in the publication of a prospectus accompanying issues or the admission to trading of securities on regulated markets in the European Union, the obligation to submit additional documents has been lifted in certain cases, and a series of technical improvements relating to the cross-border validity of prospectuses and the issue of promissory notes have been introduced.

Finally, to improve the level of legal certainty, the prospectus will now be valid for 12 months from the date of its approval, rather than the validity period’s being calculated from the publication date.

CHANGES TO THE PROSPECTUS
FOR THE PUBLIC OFFER FOR
SALE OR SUBSCRIPTION

In relation to prospectuses accompanying public offers for sale or subscription of shares, the same regulations apply –with certain specific features– as to prospectuses issued when shares are admitted to trading. These include clarification of the right of investors who have agreed to acquire or subscribe securities to withdraw their acceptance before publication of the prospectus supplement, if any, provided that the new factor, error or inaccuracy motivating the publication of this supplement occurs before the final closure of the offer to the public and the delivery of the securities.

This right may be exercised within a period not less than two working days from the publication of the supplement, which must expressly state the final date on which investors may withdraw their acceptance.

Other new features affect the modification of the thresholds below which an operation will not be considered a public offer for sale or subscription of securities, and therefore not incur the obligation to publish a prospectus.⁷⁸ Under the new legislation the following are considered offers of securities:

- 1) Those aimed solely at qualified investors (which remain unchanged, although the definition of a qualified investor has been updated⁷⁹).
- 2) Those aimed at less than 150 natural or legal persons per Member State (previously 100 natural or legal persons), excluding qualified investors.
- 3) Those aimed at investors purchasing a minimum value of €100,000 of securities each (previously €50,000 per investor) in each individual offer.
- 4) Offerings of which the nominal unit value is at least €100,000 (previously €50,000).
- 5) Offerings for which the total amount in the European Union is less than €5 million (previously, €2.5 million), this limit being calculated over a period of twelve months.

Nevertheless, any subsequent resale of securities that were previously the object of one or more of the types of offer mentioned here will be considered a separate offer and the definition of a public offer will be applied to decide whether this resale can be classed as a public offer of shares for sale or not. It is now specified that if this resale takes place through financial intermediaries, no further prospectus will be required when there is already a valid prospectus available and the issuer or person responsible for preparing it has authorised its use in writing.

The situations in which it is not mandatory to publish a prospectus to accompany a public offer for sale or subscription of securities have been updated. These include the exemption of securities offered to or due to be allocated to directors or employees by their employer or a group company, provided that these securities were of the same class as others already admitted to trading on an official secondary market or another regulated market in the European Union and that a document was available containing information on the number and nature of the securities and the reasons for and details of the offer.

Henceforth, this exemption will be extended to all undertakings established in the European Union, when a document is available containing information on the number and nature of the securities and the reasons for and details of the offering, and those established

⁷⁸ A public offer for sale or subscription of securities is any communication to persons in any form or by any means that presents sufficient information on the terms of the offer and the securities offered as to allow an investor to decide whether or not to acquire or subscribe to these securities.

⁷⁹ Qualified investors are considered to be persons or entities listed as professional customers under the Securities Market Law (financial institutions, public administrations and international organisations, certain business people who individually reach the specified levels of turnover in their annual accounts, and other customers applying in advance to be treated as qualified investors and expressly renouncing their treatment as retail customers).

outside of the European Union whose securities are admitted to trading on a regulated market or the market of a third country, provided a series of requirements are met. These include the requirement that the European Commission has adopted a decision on the equivalence of the legislation and supervision of the third country in which the market is located, under the terms established in Directive 2003/71/EC of 4 November 2003.

Debt securities issued on a continuous basis by credit institutions are also exempt from the requirement to publish a prospectus when the total amount offered in the European Union is less than €75 million (the previous limit was €50 million). This limit will be calculated over a twelve-month period, provided that the securities: 1) are not subordinated, convertible or exchangeable; 2) do not entitle the holder to subscribe or acquire other types of securities; and 3) are not linked to an underlying security on which their value or price depends.

NEW TRANSPARENCY
REQUIREMENTS CONCERNING
ISSUER INFORMATION

The second series of amendments affects Royal Decree 1362/2007 of 19 October 2007 regulating the requirements on the content, publication and dissemination of regulated information about issuers of securities admitted to trading on an official secondary market or any other regulated market in the European Union when Spain is the Member State of origin. This defines the cases in which Spain is considered the Member State of origin for the purposes of the application of the aforementioned Royal Decree.

The thresholds for the language in which the regulated information is to be published have also been updated.⁸⁰ Specifically, regulated information may be published, at the discretion of the issuer or person applying for admission to trading of the securities, either in the customary language of international finance, or a language accepted by the CNMV and the competent authorities of the hosting Member States when the securities concerned have a denomination per unit of €100,000 or more (previously €50,000) or in the case of bonds denominated in a currency other than the euro, equivalent to €100,000 (previously €50,000) on the issue date, and are admitted to trading on one or more official secondary markets or regulated markets.

Finally, certain modifications have been introduced in the information requirements for issuers of shares and debt securities admitted to trading on an official secondary market in Spain or another regulated market in the European Union.

The Royal Decree came into force on 1 January 2013.

**Securities market:
auctioning of greenhouse
gas emission allowances**

Law 11/2012 of 19 December 2012 (BOE of 20 November 2012) on urgent measures relating to the environment (hereinafter, the Law). The Law includes transposition into Spanish legislation of the provisions of Commission Regulation 1031/2010 of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances, amended by Commission Regulation 1210/2011 of 23 November 2011.

This regulation establishes that a total volume of 120 million greenhouse gas emission allowances should be auctioned in the European Union as a whole in 2012, of which 10.2

⁸⁰ The regulated information includes: 1) periodic information from issuers (the annual financial report, which will include the audited annual accounts and management report, and other information obligations established by Law 24/1988 on the Securities Market; 2) those regarding significant shareholdings and operations of issuers on their treasury stock; 3) those regarding the total number of voting shares and capital at the end of each calendar month in which there has been an increase or decrease, as a result of changes in the total number of voting rights regarding significant shareholders; and 4) relevant information, i.e. such information as might reasonably influence an investor to buy or sell certain financial instruments and therefore might have a material impact on their price in a secondary market.

million have been allocated to Spain. Member States are also encouraged to adopt the necessary measures to supervise financial institutions taking part in auctions either on their own account or on behalf of customers and impose sanctions on any found to be involved in abusive market practices or insider trading.

To this effect the Law amends Law 24/1988 of 28 July 1988 on the Securities Market to define the financial institutions that can participate in these auctions and grant the CNMV supervisory, inspection and sanctioning powers in relation to the aforementioned misconduct.

Under the Law investment firms and credit institutions authorised to provide investment services may submit bids to greenhouse gas emission allowance auctions on their customers' behalf, as well as conduct the activities envisaged in Law 24/1988.⁸¹

Market abuse and insider trading will be considered very serious infringements, to which the penalty system established in the Securities Market Law will apply. The CNMV has also been given a duty of cooperation in relation to this type of operation with other competent authorities in the European Union, auction platforms and the auction supervisory authority.

The Law came into force on 21 December 2012.

State Budget for 2013

As is usual in December, *Law 17/2012 of 27 December 2012* on the 2013 State Budget, was published in the BOE on 28 December 2012.

The main sections of relevance from the fiscal and financial regulatory viewpoint are:

AMENDMENT OF LAW 13/1994 OF 1 JUNE 1994, ON AUTONOMY OF THE BANCO DE ESPAÑA

As of 1 January 2013 the Banco de España is to apply equivalent measures to its staff as those generally applicable to public sector employees, and may not, under any circumstances, decide on compensation increases that, overall, represent an increase in the total wage bill exceeding that set for the public sector.

STATE DEBT

The Ministry of Economic Affairs and Competitiveness has been authorised to increase the outstanding balance of state debt in 2013 by up to €71,021 million on its level at the start of the year (€35,325 million was the limit set in the previous budget). This limit may be exceeded over the course of the year upon authorisation of the Ministry of Economic Affairs and Competitiveness, with a series of predetermined situations in which it is automatically reviewed.

As established by Royal Decree-Law 24/2012 of 31 August 2012 on restructuring and resolution of credit institutions, repealed by Law 9/2012 of 14 November 2012, during the 2013 budgetary period the FROB's external resources may not exceed €120 billion.

In the case of government guarantees, the limit on the total guarantees granted by the State and other public bodies has been set at a maximum of €161,044 million (the limit set in the previous budget was €217,043 million). Within this sum the following amounts have

⁸¹ The investment services envisaged in Law 24/1988 on the Securities Market are the following: 1) receiving and forwarding customers' orders regarding one or more financial instruments; 2) executing these orders on behalf of customers; 3) proprietary trading; 4) individualised discretionary investment portfolio management in accordance with customer mandates; 5) placement of financial instruments, whether or not they are based on a firm commitment; 6) underwriting an issue or placement of financial instruments; 7) advice on investments; 8) management of multilateral trading systems; and 9) certain auxiliary services.

been earmarked: 1) €65 billion for guarantees against economic obligations deriving from issues by the SAREB; 2) €92,543 million to guarantee callable economic obligations of the “European Financial Stabilisation Facility”; and 3) €3 billion (the same amount as envisaged in the previous budget) to guarantee the fixed income securities issued by asset-securitisation funds, aimed at improving the financing of productive entrepreneurial activity.

AMENDMENT TO THE LEGISLATION ON PENSION SCHEMES AND FUNDS

Legislative Royal Decree 1/2002 of 29 November 2002⁸² approving the consolidated text of the Law regulating pension schemes and funds to clarify the financial rules on pension schemes.

Previously, the situations in which benefits could be claimed from pension schemes included retirement in accordance with the rules of the corresponding social security fund. If the member of the pension scheme was not eligible for retirement, the contingency would be considered to arise at the ordinary retirement age set by the general social security regime. As of the entry into force of this Law, it is expressly stated that if the scheme member is not eligible for retirement under the social security regime, the contingency is understood to arise when he or she reaches 65 years of age.

This age has also been set for scheme members not eligible for a retirement pension in the case of contributions they wish subsequently to make to their pension plan, which may only be devoted to the contingencies of death and long-term care (previously the ordinary retirement age established in the general social security regime was taken as the cut-off date).

CHANGES IN TAXATION

Compensation is maintained for loss of fiscal benefits affecting the recipients of certain income from capital produced over a period of more than two years in 2012, as was the case in the Income Tax Law, approved by Legislative Royal Decree 3/2004 of 5 March 2004. Firstly, income from capital obtained from the sale to third parties of equity capital from financial instruments contracted prior to 20 January 2006 will be eligible for a reduction of 40%. Secondly, income from yields in the form of deferred capital from life or disability insurance contracted before 20 January 2006 will be eligible for a reduction of 40% or 75%, as envisaged in the legislation cited above.

Tax relief on the purchase of the taxpayer’s primary residence has been eliminated in the case of properties acquired prior to 20 January 2006. This relief was equivalent to the difference between the deduction resulting from applying the previous income tax legislation (set out in Legislative royal decree 3/2004 of 5 March 2004) which was in force until the end of 2006, and that obtained under Law 35/2006, 28 November 2006.

In the case of changes of ownership of immovable property not used for business purposes, the updating of the value correction coefficients by 1% for the purposes of determining the capital gain or loss realised with the sale of the property has been maintained in 2013.

In the case of corporate income tax, the monetary correction coefficients applicable to the transfer of ownership of fixed asset items or when these items comprise immovable property classed as non-current assets held for sale, has been updated by 1%. Finally, the regulation defines the way certain fractioned tax payments will be calculated in 2013.

82 See “Financial regulation: 2002 Q4,” *Economic Bulletin*, January 2003, Banco de España, p. 14.

A number of technical changes have been made to VAT, basically to bring Spain's regulations into line with European Union legislation and case law.

Other financial measures relate to the legal interest rate and the late-payment interest rate, which are unchanged at 4% and 5%, respectively.

Tax measures to consolidate the public finances and stimulate economic activity

Law 16/2012 of 27 December 2012 (BOE of 28 December 2012), adopting various tax measures aimed at consolidating the public finances and stimulating economic activity, came into force on 1 January 2013.

From the fiscal and financial regulatory viewpoint the following sections stand out:

TAX ON DEPOSITS WITH CREDIT INSTITUTIONS

A tax on deposits with credit institutions has been created, under which the taxpayers are Spanish credit institutions and branches in Spain of foreign credit institutions. The tax base will be the arithmetic mean of the final balance at the end of each calendar quarter during the taxable period, corresponding to the "Customer deposits" liabilities item on credit institutions' confidential balance sheet, included in the individual financial statements, net of certain value adjustments set out in the regulation.

The gross tax payable will be the result of applying a tax rate of 0% to the tax base. Tax payers are obliged to submit a self-assessment and advance payment in July of each year, corresponding to the current tax period, calculated at 50% of the resulting amount. No filing will be required when the gross tax payable is zero euros.

The state budget law may modify the tax rate and advance payment.

SPECIAL TAX RULES APPLICABLE TO CREDIT INSTITUTION RESTRUCTURING AND RESOLUTION OPERATIONS

An additional corporate income tax provision has been introduced allowing the special tax regime for mergers, divisions, contributions of shares and share swaps to be applied as of 15 November 2012 to the transfer of business, assets or liabilities to other credit institutions by credit institutions carrying out credit institution restructuring or resolution plans under the bank restructuring legislation.

CHANGES TO THE LEGISLATION ON LISTED REAL-ESTATE INVESTMENT COMPANIES (SOCIMI)

Real-estate investment companies ("SOCIMI" by their Spanish acronym) are permitted under their corporate purpose to hold a stake in the capital of other entities whose purpose is the purchase of urban property for lease, complying with the investment requirements established in their regulations, but no longer needs to comply with external finance requirements, this limitation now having been repealed.⁸³ SOCIMIs' minimum share capital has also been reduced from €15 to €5 million.

In terms of their investment requirements, it is stipulated that at least 80% of each year's income, excluding that deriving from the sale of shares and immovable property, should derive from the lease of property, held in accordance with the entity's corporate purpose, to persons or entities over which it does not have any controlling relationship, as defined in Article 42 of the Commercial Code (no such requirement existed previously). Moreover, the length of time SOCIMIs must own the immovable property they promote has been shortened from seven years to three.

Finally, the requirement to guarantee appropriate diversification of property investments has been eliminated (SOCIMIs' assets were previously required to include at least three

⁸³ External finance was not permitted to exceed 70% of the entity's assets.

properties, with the proviso that no individual property could represent more than 40% of their assets at the time of acquisition).

Moreover, SOCIMIs' shares are eligible for admission to trading on a multilateral trading system in Spain or any other Member State of the European Union or European Economic Area (EEA),⁸⁴ or a regulated market in any country or territory with which there is effective exchange of tax information in an uninterrupted manner throughout the tax period. It also requires that SOCIMIs' shares be registered.

The new legislation introduces a series of changes to the special tax rules applicable to SOCIMIs. The corporate income tax rate applicable will be 0% (this was previously 19%). In the event of non-compliance with the requirement to retain ownership of their immovable property for required minimum of three years, SOCIMIs will be liable for corporate income tax at the standard rate.

Under the new regulations SOCIMIs will be liable to a special tax of 19% on the gross dividends or share of profits distributed to shareholders owning 5% or more of their share capital when these shareholder dividends are tax exempt or taxed at a rate of less than 10%. This condition will not be applicable when the shareholder receiving the dividend is itself a SOCIMI. Previously, dividends distributed by the company were not subject to withholdings or advance payments, whatever the nature of the shareholder receiving the dividend.

As regards the tax rules applicable to shareholders, the deduction to avoid internal double taxation will not be applicable to dividends distributed from profits or reserves to which the tax rules for SOCIMIs have been applied when the recipient is liable for corporate income tax or non-residents' income tax. If the taxable person is liable for personal income tax, the exemption applicable to dividends established by Law 35/2006 of 28 November 2006 on Personal Income Tax,⁸⁵ will not apply.

Shareholders with a stake of 5% or more of the entity's share capital who receive dividends or a share of profits taxed at a rate of 10% or higher are obliged to inform the entity within ten days from the day after the dividends are paid.

OTHER TAXES

Various measures have been adopted regarding personal income tax:

- 1) The tax relief for homeowners' investments in their primary residence has been eliminated. Nevertheless, a transitional regime has been put in place whereby certain taxpayers can continue to benefit from tax relief in the following cases: 1) taxable persons purchasing their primary residence or having paid sums for its construction prior to 1 January 2013; 2) taxable persons having paid sums for work to refurbish or expand their primary residence

⁸⁴ The EEA was created on 1 January 1994 by an agreement between the Member States of the European Union (EU) and the European Free-Trade Area (EFTA). Its creation allowed EFTA's countries to take part in the EU's internal market without being members of the EU. It comprises the 27 EU countries plus the following EFTA members: Iceland, Liechtenstein and Norway.

⁸⁵ This tax treatment differs from that under the previous legislation. In the case of dividends distributed from earnings or reserves in years in which the special tax rules have applied, if the recipient is liable for personal income tax or income tax for non-residents with no permanent establishment in Spain, the dividend will be considered exempt from this tax. If the recipient is liable to corporate income tax or income tax for non-residents with no permanent establishment in Spain, the income to be included in the tax base will be the result of multiplying the income from the dividends received as registered on the accounts by 100/81. The deduction established to avoid double taxation will not be applicable to this income. In this case, 19% (or the taxable person's tax rate, if lower) may be deducted from the income included in the tax base.

prior to 1 January 2013, provided that this work is completed by 1 January 2017; and 3) taxable persons who have paid sums for work and installations to adapt their primary residence for disabled persons prior to 1 January 2013, provided that this work is completed by 1 January 2017.

However, in order to be eligible for these transitional tax credits, taxpayers are required to have obtained tax relief on their home in 2012 or in previous years, unless they were not able to do so previously because the amount invested was below the exemption threshold for reinvestment or the effective bases of deductions from previous homes.

- 2) A special tax of 20% has been established on lottery prizes of more than €2,500 from the national or regional lotteries, and lotteries of the ONCE (Spanish association for the blind), the Spanish Red Cross and other analogous European entities. These prizes were formerly exempt. In particular, the special tax will accrue on the part of the prize that exceeds this threshold and, as a general rule, a withholding or advance payment is to be made when the prize is paid. This withholding will release the prize-winner from the obligation to file a self-assessment in relation to the winnings. This tax also applies to persons liable to non-residents' income tax.
- 3) Gains or losses arising from changes of ownership of asset items will be taxed at the rate applicable to savings only when the asset has been held for more than a year (this restriction did not previously apply). Consequently, gains or losses produced from the sale of assets held for less than a year will be included in the general tax base.
- 4) The limit on the losses that can be offset against income or imputed earnings has been reduced from 25% to 10%.
- 5) The tax treatment of expenses and investments to train employees in the use of new information and communications technologies (as applied during the period 2007-2012) has been extended through 2013.
- 6) As in the case of corporate income tax, the tax credit for maintaining or creating jobs in 2013 has been retained. This consists of applying a tax rate of 20% rather than 25% for taxable persons who exercise economic activities and whose net overall turnover is less than €5 million and have an average headcount of less than 25.

In relation to corporation tax:

- 1) The right of companies other than small businesses to deduct depreciation of tangible and intangible fixed assets and property investments has been limited. Thus, only 70% of the book depreciation of tax deductible tangible and intangible fixed assets and property investments may be deducted from the tax base in 2013 and 2014. The non-tax deductible part will be depreciated on a straight-line basis over ten years or the useful life of the asset item starting in the first tax period beginning in 2015.
- 2) Regulations have been passed on the updating balance sheets of taxable subjects liable to corporate income tax, personal income tax for persons engaged in eco-

conomic activities, and income tax for non-residents' without no permanent establishment in Spain. The following will be updatable: 1) tangible fixed assets and property investments in Spain and abroad (in the case of non-residents' income tax for non-residents with a permanent establishment in Spain, updatable items are limited to those associated with their establishment); 2) tangible fixed assets and property investments acquired under financial leasing arrangements in which the exercise of the purchase option is binding; and 3) assets corresponding to concession agreements registered as intangible assets by the concessionary company.

The update must refer to all the eligible items and their corresponding amortisations, except in the case of immovable property, with respect to which independent updating may be opted for on a case-by-case basis (in a way that distinguishes between the value of the land and that of the building).

- 3) The specific criteria permitting application of the special tax rules applicable to the leasing of homes have been made more flexible. Thus, the requirement regarding the built area of each dwelling (previously limited to not more than 135 square metres) has been eliminated; the number of homes leased or offered for lease by the entity in each tax period has been reduced from ten to eight, and the time they must be rented out has been reduced from seven years to three.

One significant change regarding VAT is that in the case of instalment transactions it is sufficient to start collection proceedings for one of the instalments for it to be considered uncollectible and the tax base may be reduced by the corresponding proportion for the unpaid instalment or instalments. Similarly, a series of technical changes have been made to clarify the position in the case of rectification of invoices whose recipients are not acting in a business or professional capacity, such that, when they subsequently pay all or part of the consideration, the recipient is not liable to the treasury for the tax that is deemed to be included in the payment made.

The temporary reinstatement of wealth tax in 2011 and 2012 by Royal Decree-Law 13/2011 of 16 September 2011 has been extended into 2013.

Finally, an exemption from transfer tax and stamp tax now applies to preventive annotations ordered ex officio by the judicial or administrative authorities concerning a valuable right or interest.

The Law came into force on 29 December 2012.

Urgent measures to strengthen the protection of mortgage debtors

Royal Decree-Law 27/2012 of 15 November 2012 (BOE of 16 November 2012), on urgent measures to strengthen the protection of mortgage debtors has two main objectives: to put in place a two-year moratorium on evictions of vulnerable families from their primary residence, and to create a stock of social housing.

SUSPENSION OF EVICTIONS OF PARTICULARLY VULNERABLE GROUPS FROM THEIR PRIMARY RESIDENCE

As mentioned, for a period of two years from the entry into force of the law, evictions of families considered to be particularly vulnerable for any of the reasons enumerated below will not be permitted. Moreover, for this purpose, the home must have been awarded to the creditor, or person acting on the latter's behalf, during the mortgage foreclosure proceedings, and other financial circumstances must also apply.

The special vulnerability is deemed to exist in the case of:

- 1) Large families.
- 2) One-parent families with two dependent children.
- 3) Any family with children aged under three.
- 4) Households in which one of the members has a disability of more than 33%, requires long-term care, or suffers from an illness causing accredited permanent incapacity for work.
- 5) Households in which the mortgage debtor is unemployed and has exhausted his or her unemployment benefits.
- 6) Households in which one or more people living in the same home and are related to the mortgage holder or his or her spouse by a blood relationship of up to the third degree of kinship or affinity, and are accredited as permanently or temporarily disabled, requiring long-term care, or are seriously ill, preventing them from taking up employment.
- 7) Households in which there is a victim of gender violence, when they are at risk of eviction from their primary residence.

In addition to the cases set out above, at least one of the following financial circumstances must apply:

- 1) That the household's total income including that of all its members is not more than three times the public revenue index (IPREM).
- 2) That in the four years prior to the time of the application the household has suffered a significant alteration in its economic circumstances, in terms of the effort required to access housing.⁸⁶
- 3) That the mortgage payments are more than 50% of the household's combined net income.
- 4) That the loan is a mortgage on the borrower's sole residence and was granted for the purpose of its acquisition.

SOCIAL HOUSING FUND

The Law urges the government to promote, jointly with the financial sector, a stock of social housing owned by credit institutions aimed at meeting the needs of people who, finding themselves in the circumstances described above, have been evicted from their primary residence as a result of default on their mortgage. The scheme aims to offer them rented accommodation at a cost proportional to their income.

The Royal Decree came into force on 16 November 2012.

14.01.2013.

⁸⁶ Significant alteration in economic circumstances is understood to mean that the burden of the mortgage represents as a share of family income has been multiplied by a factor of at least 1.5.

CONTENTS

These economic indicators are permanently updated on the Banco de España website (<http://www.bde.es/homee.htm>). The date on which the indicators whose source is the Banco de España [those indicated with (BE) in this table of contents] are updated is published in a calendar that is disseminated on the Internet (<http://www.bde.es/estadis/estadise.htm>).

MAIN MACROECONOMIC MAGNITUDES

- 1.1 Gross domestic product. Volume chain-linked indices, reference year 2008 = 100. Demand components. Spain and euro area 4*
- 1.2 Gross domestic product. Volume chain-linked indices, reference year 2008 = 100. Demand components. Spain: breakdown 5*
- 1.3 Gross domestic product. Volume chain-linked indices, reference year 2008 = 100. Branches of activity. Spain 6*
- 1.4 Gross domestic product. Implicit deflators. Spain 7*

INTERNATIONAL ECONOMY

- 2.1 International comparison. Gross domestic product at constant prices 8*
- 2.2 International comparison. Unemployment rates 9*
- 2.3 International comparison. Consumer prices 10*
- 2.4 Bilateral exchange rates and nominal and real effective exchange rate indices for the euro, US dollar and Japanese yen 11*
- 2.5 Official intervention interest rates and short-term interest rates 12*
- 2.6 10-year government bond yields on domestic markets 13*
- 2.7 International markets: non-energy commodities price index. Crude oil and gold price 14*

NATIONAL DEMAND AND ACTIVITY

- 3.1 Indicators of private consumption. Spain and euro area 15*
- 3.2 Investment in industry (excluding construction): opinion surveys. Spain 16*
- 3.3 Construction. Indicators of building starts and consumption of cement. Spain 17*
- 3.4 Industrial production index. Spain and euro area 18*
- 3.5 Monthly business survey: industry and construction. Spain and euro area 19*
- 3.6 Business survey: capacity utilisation. Spain and euro area 20*
- 3.7 Tourism and transport statistics. Spain 21*

LABOUR MARKET

- 4.1 Labour force. Spain 22*
- 4.2 Employment and wage-earners. Spain and euro area 23*
- 4.3 Employment by branch of activity. Spain 24*
- 4.4 Wage-earners by type of contract and unemployment by duration. Spain 25*
- 4.5 Registered unemployment by branch of activity. Contracts and placements. Spain 26*
- 4.6 Collective bargaining agreements 27*
- 4.7 Quarterly labour costs survey 28*
- 4.8 Unit labour costs. Spain and euro area 29*

PRICES	5.1	Consumer price index. Spain (2006 = 100)	30*
	5.2	Harmonised index of consumer prices. Spain and euro area (2005 = 100)	31*
	5.3	Producer price index. Spain and euro area (2005=100)	32*
	5.4	Unit value indices for Spanish foreign trade	33*
GENERAL GOVERNMENT	6.1	State resources and uses according to the National Accounts. Spain	34*
	6.2	State financial transactions. Spain ¹	35*
	6.3	State: liabilities outstanding. Spain ¹	36*
BALANCE OF PAYMENTS, FOREIGN TRADE AND INTERNATIONAL INVESTMENT POSITION	7.1	Spanish balance of payments vis-à-vis other euro area residents and the rest of the world. Current account ¹ (BE)	37*
	7.2	Spanish balance of payments vis-à-vis other euro area residents and the rest of the world. Financial account (BE)	38*
	7.3	Spanish foreign trade with other euro area countries and with the rest of the world. Exports and dispatches	39*
	7.4	Spanish foreign trade with other euro area countries and with the rest of the world. Imports and arrivals	40*
	7.5	Spanish foreign trade with other euro area countries and with the rest of the world. Trade balance: geographical distribution	41*
	7.6	Spanish international investment position vis-à-vis other euro area residents and the rest of the world. Summary ¹ (BE)	42*
	7.7	Spanish international investment position vis-à-vis other euro area residents and the rest of the world. Breakdown by investment ¹ (BE)	43*
	7.8	Spanish reserve assets ¹ (BE)	44*
	7.9	Spanish external debt vis-à-vis other euro area residents and the rest of the world. Summary ¹ (BE)	45*
FINANCIAL VARIABLES	8.1	Consolidated balance sheet of the Eurosystem, and balance sheet of the Banco de España. Net lending to credit institutions and its counterparts (BE)	46*
	8.2	Cash and cash equivalents, other liabilities of credit institutions and mutual funds shares of non-financial corporations, households and NPISHs resident in Spain (BE)	47*
	8.3	Cash and cash equivalents, other liabilities of credit institutions and mutual funds shares of non-financial corporations resident in Spain (BE)	48*
	8.4	Cash and cash equivalents, other liabilities of credit institutions and mutual funds shares of households and NPISHs resident in Spain (BE)	49*
	8.5	Financing of non-financial sectors resident in Spain (BE)	50*
	8.6	Financing of non-financial corporations, resident in Spain (BE)	51*
	8.7	Financing of households and NPISHs resident in Spain (BE)	52*
	8.8	Gross financing of Spain's general government (BE)	53*
	8.9	Lending by credit institutions to other resident sectors. Breakdown by end-use (BE)	54*
	8.10	Profit and loss account of banks, savings banks and credit co-operatives resident in Spain (BE)	55*
	8.11	Mutual funds resident in Spain	56*
	8.12	Share price indices and turnover on securities markets. Spain and euro area	57*

1 IMF Special Data Dissemination Standard (SDDS).

INTEREST RATES
AND INDICES OF SPANISH
COMPETITIVENESS

- 9.1 Interest rates. Eurosystem and money market. Euro area and Spain (BE) 58*
- 9.2 Interest rates: Spanish short-term and long-term securities markets¹ (BE) 59*
- 9.3 Interest rates on new business. Credit institutions (CBE 4/2002) (BE) 60*
- 9.4 Indices of Spanish competitiveness vis-à-vis the EU-27 and the euro area 61*
- 9.5 Indices of Spanish competitiveness vis-à-vis the developed countries and industrialised countries 62*

1 IMF Special Data Dissemination Standard (SDDS).

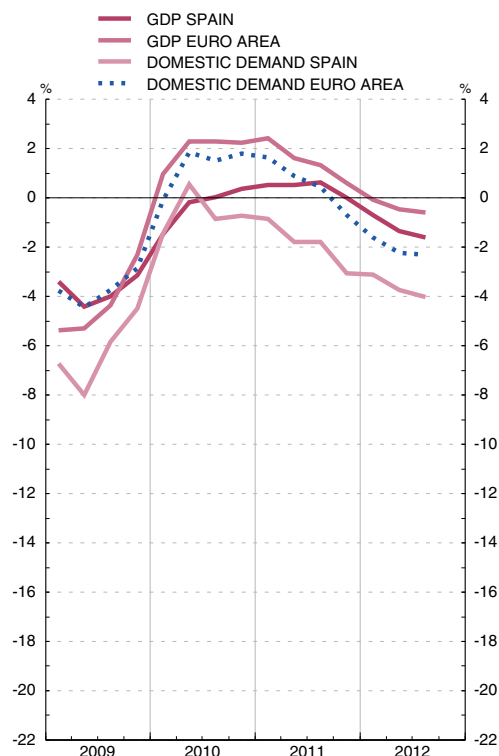
1.1. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES, REFERENCE YEAR 2008=100. DEMAND COMPONENTS. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

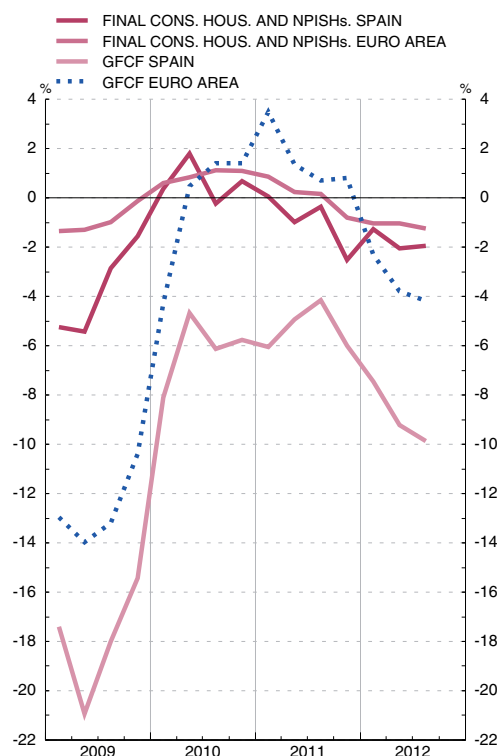
Annual percentage changes

		GDP		Final consumption of households and NPISHs		General government final consumption		Gross fixed capital formation		Domestic demand		Exports of goods and services		Imports of goods and services		Memorandum item: GDPmp (current prices) (g)	
		Spain	Euro area	Spain (b)	Euro area (c)	Spain	Euro area (d)	Spain	Euro area	Spain (e)	Euro area	Spain	Euro area (f)	Spain	Euro area (f)	Spain	Euro area
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
09	P	-3.7	-4.3	-3.8	-0.9	3.7	2.6	-18.0	-12.6	-6.3	-3.7	-10.0	-12.2	-17.2	-10.9	1 048	8 920
10	P	-0.3	1.9	0.7	0.9	1.5	0.7	-6.2	-0.2	-0.6	1.3	11.3	11.0	9.2	9.4	1 049	9 169
11	P	0.4	1.5	-0.9	0.1	-0.5	-0.1	-5.3	1.6	-1.9	0.6	7.6	6.5	-0.9	4.4	1 063	9 418
09 Q4	P	-3.1	-2.3	-1.6	-0.1	1.8	2.5	-15.4	-10.4	-4.5	-2.9	-0.5	-4.4	-5.5	-5.8	260	2 243
10 Q1	P	-1.5	1.0	0.4	0.6	1.0	1.4	-8.1	-4.3	-1.5	-0.1	9.5	7.3	8.5	4.6	261	2 260
Q2	P	-0.2	2.3	1.8	0.8	2.2	0.9	-4.7	0.5	0.5	1.8	12.5	12.8	14.6	11.9	262	2 289
Q3	P	0.0	2.3	-0.2	1.1	2.5	0.7	-6.1	1.4	-0.9	1.5	10.6	12.1	6.6	10.3	262	2 305
Q4	P	0.4	2.2	0.7	1.1	0.3	-0.0	-5.8	1.4	-0.7	1.8	12.4	11.7	7.5	10.9	264	2 316
11 Q1	P	0.5	2.4	0.0	0.9	2.2	0.2	-6.0	3.5	-0.9	1.6	10.2	10.5	4.5	8.7	265	2 340
Q2	P	0.5	1.6	-1.0	0.2	-0.5	0.2	-4.9	1.4	-1.8	0.9	7.1	6.4	-1.6	4.7	266	2 353
Q3	P	0.6	1.3	-0.4	0.2	-2.7	-0.4	-4.2	0.7	-1.8	0.4	7.6	5.7	-1.2	3.7	266	2 364
Q4	P	-0.0	0.6	-2.5	-0.8	-1.1	-0.3	-6.0	0.8	-3.1	-0.7	5.8	3.6	-4.9	0.5	266	2 361
12 Q1	P	-0.7	-0.1	-1.3	-1.0	-3.7	-0.1	-7.5	-2.3	-3.1	-1.6	2.4	2.5	-5.8	-1.0	264	2 369
Q2	P	-1.4	-0.5	-2.1	-1.0	-2.9	-0.2	-9.2	-3.8	-3.8	-2.2	2.9	3.4	-5.1	-0.6	263	2 371
Q3	P	-1.6	-0.6	-1.9	-1.3	-3.9	-0.1	-9.9	-4.2	-4.0	-2.3	4.3	2.9	-3.5	-0.9	263	2 379

GDP. AND DOMESTIC DEMAND. SPAIN AND EURO AREA
Annual percentage changes



DEMAND COMPONENTS. SPAIN AND EURO AREA
Annual percentage changes



Sources: INE (Quarterly National Accounts of Spain. Base year 2008) and Eurostat.

a. Spain: prepared in accordance with ESA95, seasonally- and working-day-adjusted series (see Economic bulletin April 2002); Euro area, prepared in accordance with ESA95. b. Final consumption expenditure may take place on the domestic territory or abroad (ESA95, 3.75). It therefore includes residents' consumption abroad, which is subsequently deducted in Imports of goods and services. c. Euro area, private consumption.

d. Euro area, government consumption. e. Residents' demand within and outside the economic territory.

f. Exports and imports comprise goods and services and include cross-border trade within the euro area. g. Billions of euro.

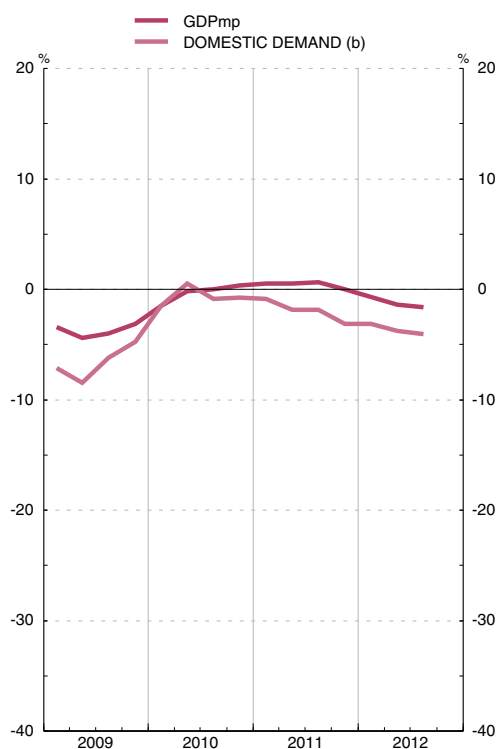
1.2. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES. REFERENCE YEAR 2008=100. DEMAND COMPONENTS. SPAIN: BREAKDOWN (a)

■ Series depicted in chart.

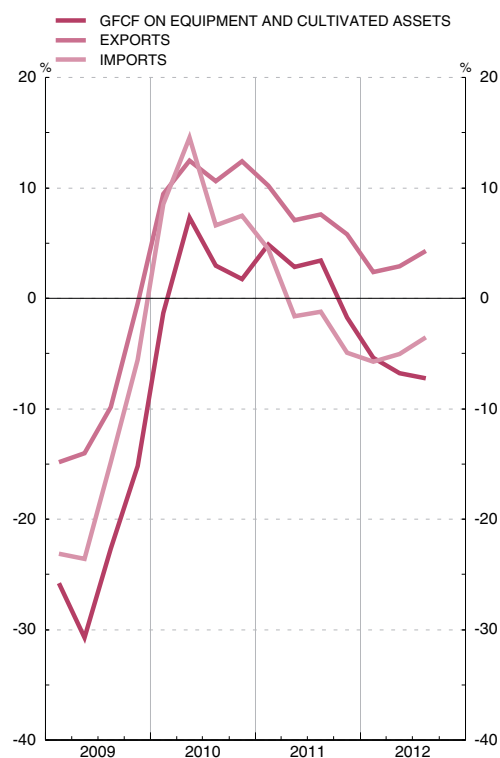
Annual percentage changes

		Gross fixed capital formation					Change in Stocks (b)	Exports of goods and services				Imports of goods and services				Memorandum items	
		Total	Tangible fixed assets			Intangible fixed assets		Total	Goods	Services	Of which Final consumption of non- residents in economic territory	Total	Goods	Services	Of which Final consumption of residents in the rest of the world	Domestic demand (b) (c)	GDP
			Total	Construc- tion	Equipment and cultivated assets												
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
09	P	-18.0	-18.5	-16.6	-23.9	-7.5	-0.0	-10.0	-10.4	-9.2	-9.6	-17.2	-18.7	-11.4	-13.3	-6.6	-3.7
10	P	-6.2	-6.7	-9.8	2.6	3.5	0.1	11.3	15.1	4.1	2.6	9.2	12.1	0.3	0.4	-0.6	-0.3
11	P	-5.3	-5.8	-9.0	2.3	3.1	-0.1	7.6	8.5	5.8	6.4	-0.9	-0.7	-1.4	-4.5	-1.9	0.4
09 Q4	P	-15.4	-15.9	-16.2	-15.2	-6.1	-0.0	-0.5	4.7	-10.0	-5.8	-5.5	-4.3	-9.7	-7.3	-4.8	-3.1
10 Q1	P	-8.1	-8.7	-11.0	-1.3	2.8	0.1	9.5	15.0	-0.3	0.3	8.5	10.6	2.1	-2.1	-1.5	-1.5
Q2	P	-4.7	-5.3	-9.3	7.3	6.5	0.2	12.5	16.9	4.3	0.6	14.6	18.2	3.2	1.0	0.6	-0.2
Q3	P	-6.1	-6.5	-9.7	3.0	0.9	0.2	10.6	13.2	5.9	5.1	6.6	9.7	-3.2	2.5	-0.9	0.0
Q4	P	-5.8	-6.4	-9.2	1.8	3.8	0.1	12.4	15.4	6.7	4.5	7.5	10.1	-0.9	0.2	-0.7	0.4
11 Q1	P	-6.0	-6.7	-10.8	4.9	4.1	0.0	10.2	14.0	2.8	5.5	4.5	6.4	-1.9	-2.6	-0.9	0.5
Q2	P	-4.9	-5.4	-8.5	2.9	1.4	-0.1	7.1	8.0	5.2	8.4	-1.6	-1.2	-3.1	-6.0	-1.8	0.5
Q3	P	-4.2	-4.7	-8.0	3.5	4.9	-0.1	7.6	8.4	5.9	5.9	-1.2	-1.9	1.3	-5.1	-1.8	0.6
Q4	P	-6.0	-6.6	-8.6	-1.7	2.0	-0.1	5.8	4.2	9.4	5.8	-4.9	-5.8	-2.0	-4.3	-3.1	-0.0
12 Q1	P	-7.5	-8.2	-9.4	-5.4	3.1	-0.0	2.4	2.5	2.1	-0.8	-5.8	-5.7	-6.1	-8.5	-3.1	-0.7
Q2	P	-9.2	-10.1	-11.5	-6.8	2.9	-0.0	2.9	3.3	2.2	-2.1	-5.1	-5.9	-1.8	-2.2	-3.8	-1.4
Q3	P	-9.9	-10.9	-12.6	-7.2	4.7	-0.0	4.3	3.7	5.5	0.8	-3.5	-3.8	-2.5	-8.3	-4.0	-1.4

GDP. DOMESTIC DEMAND
Annual percentage changes



GDP. DEMAND COMPONENTS
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2008).

a. Prepared in accordance with ESA95, seasonally- and working-day-adjusted series (see Economic bulletin April 2002).

b. Contribution to GDPmp growth rate.

c. Residents' demand within and outside the economic territory.

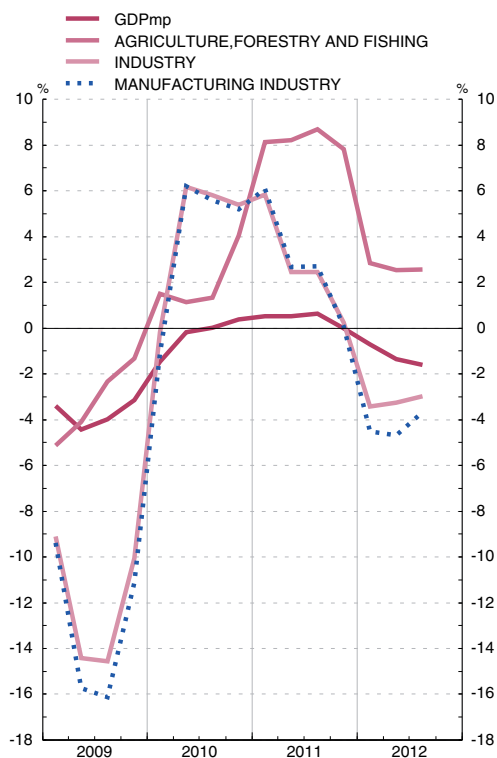
1.3. GROSS DOMESTIC PRODUCT. VOLUME CHAIN-LINKED INDICES. REFERENCE YEAR 2008=100. BRANCHES OF ACTIVITY. SPAIN (a)

■ Series depicted in chart.

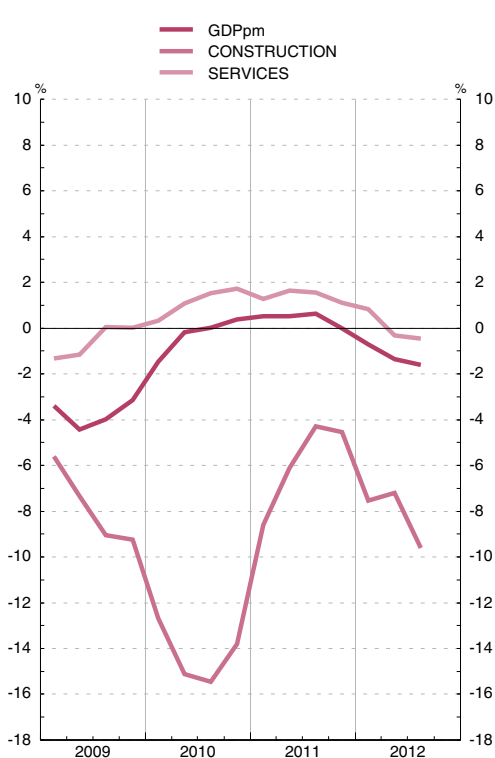
Annual percentage changes

		Gross domestic product at market prices	Agri-culture livestock breeding, forestry and fishing	Industry		Construction industry	Services									Net taxes on products
				Of which			Total	Trade, transport and acomoda-tion	Informa-tion and commun-ications	Financial and insurance activities	Real estate activities	Profes-sional activities	Public Ad-ministra-tion, Health and Education	Artistic, recreational and other services activities		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
09	P	-3.7	-3.2	-12.1	-13.1	-7.8	-0.6	-1.9	0.9	-4.0	0.0	-2.6	2.3	0.3	-5.4	
10	P	-0.3	2.0	4.3	3.9	-14.3	1.2	1.6	6.5	-3.7	-0.9	-0.2	2.4	0.3	0.1	
11	P	0.4	8.2	2.7	2.9	-5.9	1.4	1.1	3.9	-3.6	2.7	3.2	1.1	1.4	-5.5	
09 Q4	P	-3.1	-1.3	-10.1	-11.1	-9.3	0.0	0.1	4.6	-6.4	0.6	-2.6	1.4	1.6	-5.3	
10 Q1	P	-1.5	1.5	-0.2	-1.1	-12.7	0.3	1.1	5.3	-7.3	-1.9	-0.9	1.6	2.1	-1.4	
Q2	P	-0.2	1.1	6.2	6.2	-15.1	1.1	1.8	7.2	-5.5	-0.8	-0.0	1.8	1.6	1.1	
Q3	P	0.0	1.3	5.8	5.6	-15.5	1.5	1.6	7.4	-1.3	-1.1	0.2	3.0	-0.7	0.7	
Q4	P	0.4	4.1	5.4	5.2	-13.8	1.7	1.8	6.0	-0.2	0.0	-0.1	3.3	-1.6	0.1	
11 Q1	P	0.5	8.1	5.8	6.1	-8.6	1.3	1.8	4.1	-6.5	2.8	2.9	1.1	-0.3	-4.7	
Q2	P	0.5	8.2	2.4	2.7	-6.1	1.6	2.0	3.6	-4.9	2.3	3.1	1.8	0.1	-5.3	
Q3	P	0.6	8.7	2.5	2.7	-4.3	1.6	1.0	4.3	-3.4	2.9	3.6	1.3	3.1	-6.0	
Q4	P	-0.0	7.8	0.2	0.1	-4.5	1.1	-0.2	3.7	0.4	2.8	3.4	0.3	2.9	-5.9	
12 Q1	P	-0.7	2.8	-3.4	-4.5	-7.5	0.8	0.2	1.8	3.0	2.1	0.5	0.5	1.3	-0.6	
Q2	P	-1.4	2.5	-3.3	-4.7	-7.2	-0.3	-1.3	0.8	2.1	1.7	-1.6	0.0	-1.0	-0.5	
Q3	P	-1.6	2.6	-3.0	-3.7	-9.6	-0.5	-1.0	0.8	-0.2	2.1	0.5	-1.5	-0.9	-0.2	

GDP. BRANCHES OF ACTIVITY
Annual percentage changes



GDP. BRANCHES OF ACTIVITY
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2008).

a. Prepared in accordance with ESA95, seasonally- and working-day-adjusted series (see Economic bulletin April 2002).

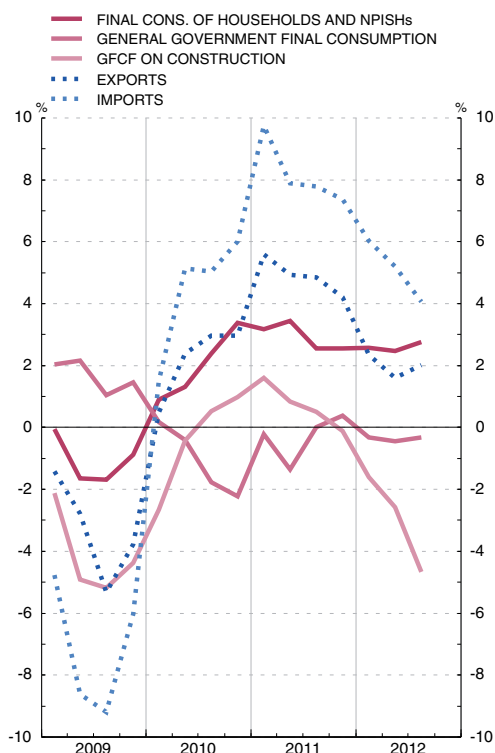
1.4. GROSS DOMESTIC PRODUCT. IMPLICIT DEFLATORS. SPAIN (a)

■ Series depicted in chart.

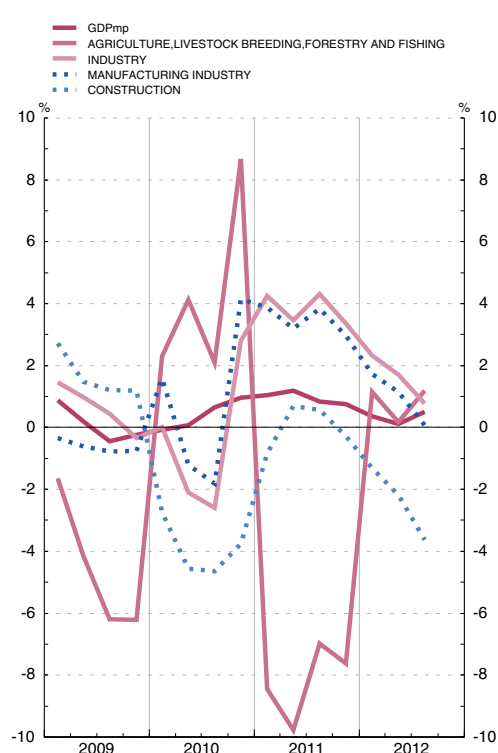
Annual percentage changes

		Demand components								Gross domestic product at market prices	Branches of activity												
		Final consumption of households and NPISHs (b)	General government final consumption	Gross fixed capital formation			Exports of goods and services	Imports of goods and services	Agriculture, livestock breeding, forestry and fishing		Industry		Construction	Services									
				Total	Tangible fixed assets						Intangible fixed assets	Total		On which	Total	Trade, transport and accommodation	Information and communications	Financial and insurance activities	Real estate activities	Professional activities	Public administration, Health and Education	Artistic recreational and other services activities	
					Construction	Equipment and cultivated assets																	Manufacturing industry
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21			
09	P	-1.1	1.7	-3.3	-4.1	-1.7	0.2	-3.3	-7.2	0.1	-4.6	0.6	-0.7	1.7	1.6	1.9	0.3	10.2	-8.5	1.3	2.9	1.6	
10	P	2.0	-1.1	0.6	-0.5	3.1	2.6	2.2	4.4	0.4	4.2	-0.5	0.7	-3.9	-1.2	0.2	-5.9	-20.2	13.5	-1.4	-1.4	0.6	
11	P	2.9	-0.3	1.3	0.7	2.5	1.3	4.9	8.1	1.0	-8.2	3.8	3.4	0.0	0.8	2.4	-1.5	-4.1	4.7	0.3	-0.8	-0.3	
09 Q4	P	-0.9	1.4	-3.3	-4.4	-0.6	-0.8	-3.8	-6.0	-0.2	-6.2	-0.3	-0.8	1.2	0.0	1.2	-1.1	1.3	-11.3	-0.0	2.7	1.2	
10 Q1	P	0.9	0.2	-1.6	-2.7	0.6	2.7	0.5	1.5	-0.1	2.3	0.0	1.6	-2.8	-0.1	-0.0	-5.1	-14.9	14.9	-1.8	1.4	0.7	
Q2	P	1.3	-0.4	0.4	-0.4	2.1	2.6	2.4	5.1	0.1	4.1	-2.1	-1.2	-4.6	-2.3	-2.2	-6.1	-22.4	9.9	-2.8	0.1	0.2	
Q3	P	2.4	-1.8	1.6	0.5	4.3	2.6	3.0	5.0	0.6	2.1	-2.6	-1.8	-4.6	-2.1	0.0	-6.5	-22.8	11.0	-1.2	-2.8	0.5	
Q4	P	3.4	-2.2	2.2	1.0	5.3	2.6	3.0	6.0	1.0	8.7	2.8	4.1	-3.8	-0.2	2.8	-5.8	-20.4	18.2	0.2	-3.9	1.1	
11 Q1	P	3.2	-0.2	2.4	1.6	4.6	1.1	5.6	9.7	1.0	-8.4	4.2	3.9	-0.8	0.2	2.1	-1.6	-10.1	3.2	1.0	-0.8	-0.2	
Q2	P	3.5	-1.3	1.5	0.8	3.1	1.7	4.9	7.9	1.2	-9.8	3.5	3.2	0.7	1.4	3.0	-1.4	-3.2	9.2	1.8	-1.9	-0.4	
Q3	P	2.6	-0.0	0.8	0.5	1.6	0.9	4.9	7.8	0.8	-7.0	4.3	3.8	0.6	0.7	2.1	-1.4	-2.7	4.1	-0.9	-0.5	-0.3	
Q4	P	2.6	0.4	0.3	-0.1	0.9	1.5	4.2	7.4	0.8	-7.6	3.4	3.0	-0.3	0.9	2.3	-1.6	0.5	2.7	-0.6	-0.1	-0.2	
12 Q1	P	2.6	-0.3	-0.1	-1.6	3.0	0.6	2.4	6.0	0.4	1.1	2.3	1.7	-1.3	1.0	2.1	-3.0	4.2	1.3	0.2	-0.3	1.6	
Q2	P	2.4	-0.4	-1.0	-2.6	2.0	0.4	1.6	5.2	0.1	0.2	1.7	1.1	-2.2	1.2	2.2	-3.3	8.1	1.9	0.0	-0.5	1.2	
Q3	P	2.7	-0.3	-2.3	-4.7	1.9	0.9	2.0	4.1	0.5	1.2	0.8	0.1	-3.6	0.9	2.2	-5.5	6.5	0.1	0.3	-0.4	1.4	

GDP. IMPLICIT DEFLATORS
Annual percentage changes



GDP. IMPLICIT DEFLATORS
Annual percentage changes



Source: INE (Quarterly National Accounts of Spain. Base year 2008).

a. Prepared in accordance with ESA95, seasonally- and working-day-adjusted series (see Economic bulletin April 2002).

b. Final consumption expenditure may take place on the domestic territory or abroad (ESA95, 3.75). It therefore includes residents' consumption abroad, which is subsequently deducted in Imports of goods and services.

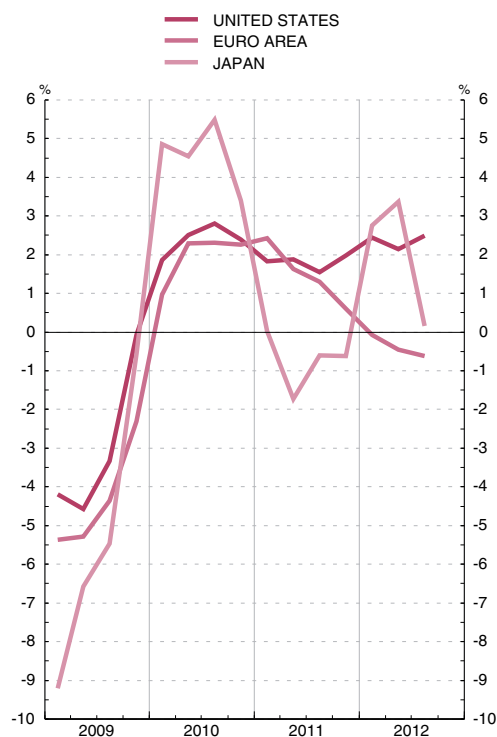
2.1. INTERNATIONAL COMPARISON. GROSS DOMESTIC PRODUCT AT CONSTANT PRICES

■ Series depicted in chart.

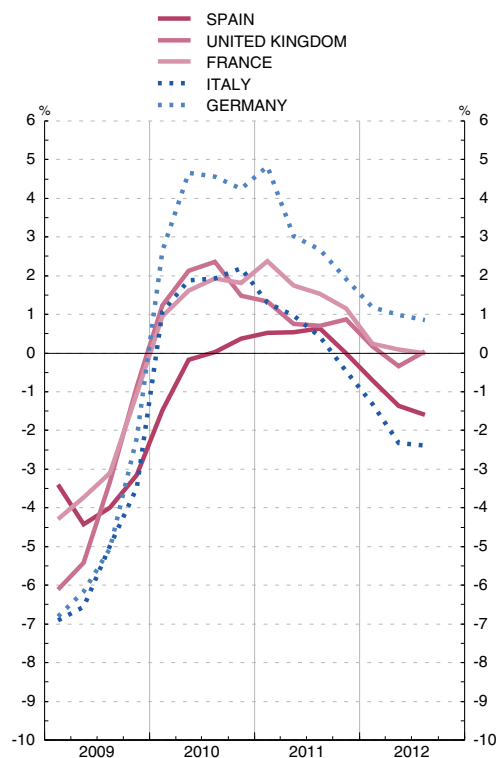
Annual percentage changes

	OECD	EU-27	Euro area	Germany	Spain	United States	France	Italy	Japan	United Kingdom
	1	2	3	4	5	6	7	8	9	10
09	-3.6	-4.3	-4.3	-5.1	-3.7	-3.1	-3.1	-5.5	-5.5	-4.0
10	3.0	2.1	2.0	4.0	-0.3	2.4	1.6	1.8	4.6	1.8
11	1.8	1.6	1.5	3.1	0.4	1.8	1.7	0.6	-0.7	0.9
09 Q3	-3.6	-4.3	-4.4	-5.0	-4.0	-3.3	-3.1	-5.0	-5.5	-3.3
Q4	-0.6	-2.1	-2.3	-2.2	-3.1	-0.1	-1.0	-3.5	-0.6	-0.9
10 Q1	2.5	1.0	1.0	2.6	-1.5	1.9	0.9	1.1	4.8	1.2
Q2	3.3	2.3	2.3	4.7	-0.2	2.5	1.6	1.9	4.5	2.1
Q3	3.3	2.5	2.3	4.6	0.0	2.8	1.9	1.9	5.5	2.4
Q4	2.9	2.4	2.3	4.2	0.4	2.4	1.8	2.2	3.4	1.5
11 Q1	2.4	2.4	2.4	4.8	0.5	1.8	2.4	1.3	0.0	1.3
Q2	1.8	1.7	1.6	3.0	0.5	1.9	1.7	1.0	-1.7	0.8
Q3	1.7	1.4	1.3	2.7	0.6	1.6	1.5	0.4	-0.6	0.7
Q4	1.5	0.8	0.6	1.9	-0.0	2.0	1.2	-0.5	-0.6	0.9
12 Q1	1.7	0.1	-0.1	1.2	-0.7	2.4	0.2	-1.3	2.7	0.2
Q2	1.6	-0.3	-0.5	1.0	-1.4	2.1	0.1	-2.3	3.4	-0.3
Q3	...	-0.4	-0.6	0.9	-1.6	2.5	-0.0	-2.4	0.2	0.0

GROSS DOMESTIC PRODUCT
Annual percentage changes



GROSS DOMESTIC PRODUCT
Annual percentage changes



Sources: ECB, INE and OECD.

Note: The underlying series for this indicator are in Table 26.2 of the BE Boletín Estadístico.

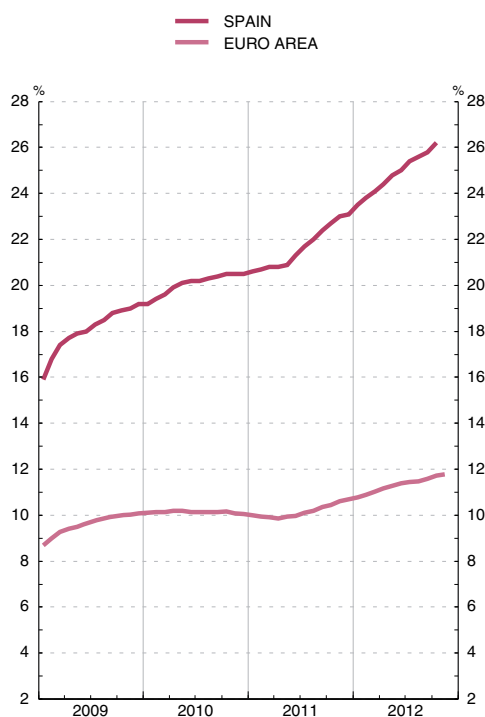
2.2. INTERNATIONAL COMPARISON. UNEMPLOYMENT RATES

■ Series depicted in chart.

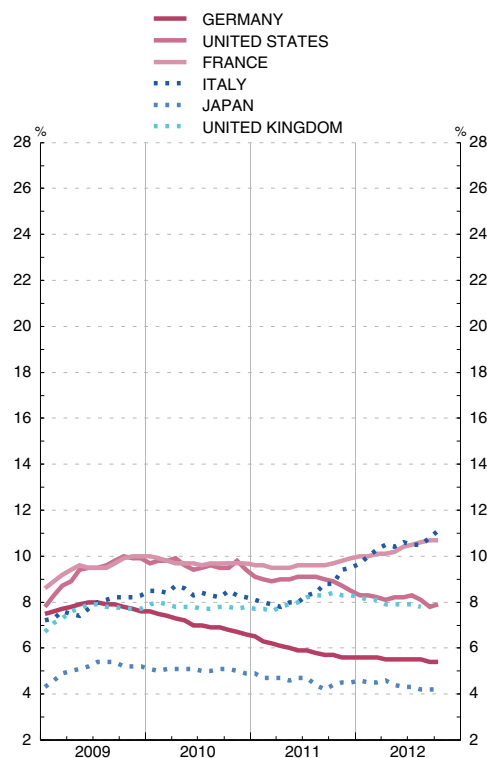
Percentages

	OECD	EU-27	Euro area	Germany	Spain	United States	France	Italy	Japan	United Kingdom
	1	2	3	4	5	6	7	8	9	10
09	8.2	9.0	9.6	7.8	18.0	9.3	9.5	7.8	5.1	7.6
10	8.3	9.6	10.1	7.1	20.1	9.6	9.7	8.4	5.1	7.8
11	8.0	9.7	10.2	5.9	21.7	8.9	9.6	8.4	4.6	8.0
11 May	7.9	9.5	9.9	6.0	20.9	9.0	9.5	8.0	4.6	7.9
Jun	8.0	9.5	10.0	5.9	21.3	9.1	9.6	8.0	4.7	8.0
Jul	8.0	9.6	10.1	5.9	21.7	9.1	9.6	8.3	4.7	8.2
Aug	8.0	9.7	10.2	5.8	22.0	9.1	9.6	8.4	4.4	8.3
Sep	8.0	9.8	10.3	5.7	22.4	9.0	9.6	8.8	4.2	8.3
Oct	8.0	9.9	10.4	5.7	22.7	8.9	9.7	8.8	4.4	8.4
Nov	8.0	10.0	10.6	5.6	23.0	8.7	9.8	9.4	4.5	8.3
Dec	7.9	10.0	10.7	5.6	23.1	8.5	9.9	9.5	4.5	8.3
12 Jan	7.9	10.1	10.8	5.6	23.5	8.3	10.0	9.7	4.6	8.2
Feb	8.0	10.2	10.9	5.6	23.8	8.3	10.0	10.0	4.5	8.1
Mar	7.9	10.2	11.0	5.6	24.1	8.2	10.1	10.3	4.5	8.1
Apr	7.9	10.3	11.2	5.5	24.4	8.1	10.1	10.5	4.6	7.9
May	8.0	10.4	11.3	5.5	24.8	8.2	10.2	10.4	4.4	7.9
Jun	8.0	10.5	11.4	5.5	25.0	8.2	10.4	10.6	4.3	7.9
Jul	8.0	10.5	11.5	5.5	25.4	8.3	10.5	10.5	4.3	7.9
Aug	8.0	10.6	11.5	5.5	25.6	8.1	10.6	10.5	4.2	7.8
Sep	7.9	10.6	11.6	5.4	25.8	7.8	10.7	10.8	4.2	...
Oct	8.0	10.7	11.7	5.4	26.2	7.9	10.7	11.1	4.2	...

UNEMPLOYMENT RATES



UNEMPLOYMENT RATES



Source: OECD.

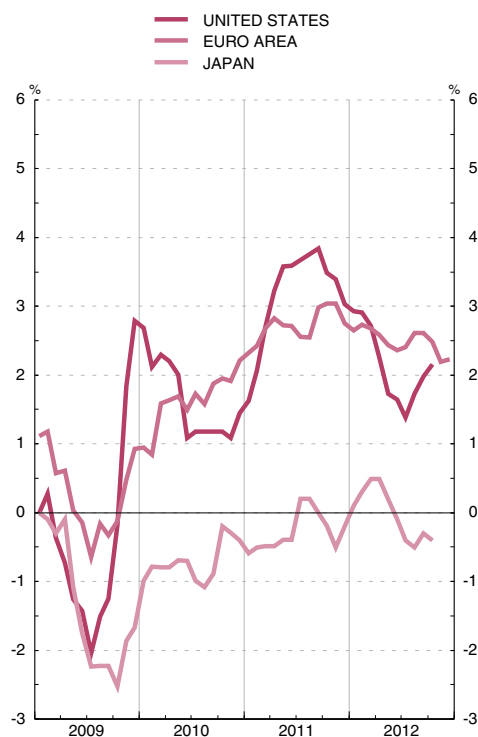
2.3. INTERNATIONAL COMPARISON. CONSUMER PRICES (a)

■ Series depicted in chart.

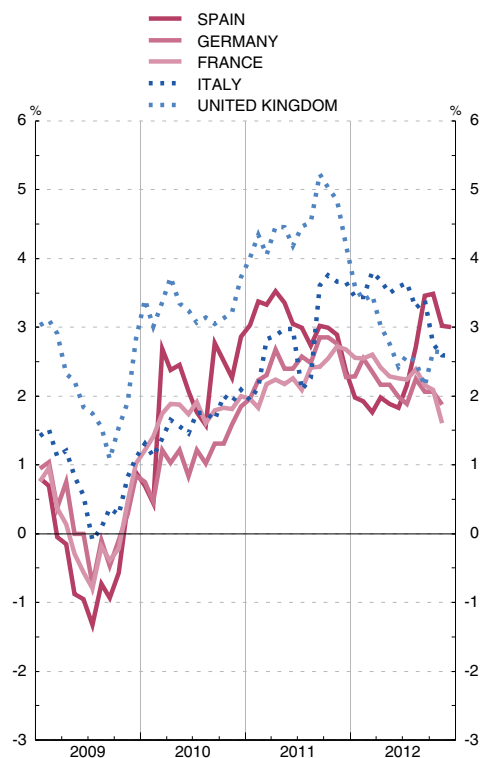
Annual percentage changes

	OECD	EU-27	Euro area	Germany	Spain	United States	France	Italy	Japan	United Kingdom
	1	2	3	4	5	6	7	8	9	10
09	0.5	1.0	0.3	0.2	-0.2	-0.3	0.1	0.8	-1.3	2.2
10	1.9	2.1	1.6	1.2	2.0	1.6	1.7	1.6	-0.7	3.3
11	2.9	3.1	2.7	2.5	3.1	3.2	2.3	2.9	-0.3	4.5
11 Jul	3.1	2.9	2.6	2.6	3.0	3.7	2.1	2.1	0.2	4.5
Aug	3.2	3.0	2.5	2.5	2.7	3.8	2.4	2.3	0.2	4.5
Sep	3.2	3.3	3.0	2.9	3.0	3.8	2.4	3.6	-	5.2
Oct	3.1	3.4	3.0	2.9	3.0	3.5	2.5	3.8	-0.2	5.0
Nov	3.1	3.3	3.0	2.8	2.9	3.4	2.7	3.7	-0.5	4.8
Dec	2.9	3.0	2.7	2.3	2.4	3.0	2.7	3.7	-0.2	4.2
12 Jan	2.8	2.9	2.7	2.3	2.0	2.9	2.6	3.4	0.1	3.6
Feb	2.8	2.9	2.7	2.5	1.9	2.9	2.5	3.4	0.3	3.4
Mar	2.6	2.9	2.7	2.3	1.8	2.7	2.6	3.8	0.5	3.5
Apr	2.4	2.7	2.6	2.2	2.0	2.3	2.4	3.7	0.5	3.0
May	2.1	2.6	2.4	2.2	1.9	1.7	2.3	3.5	0.2	2.8
Jun	2.1	2.5	2.4	2.0	1.8	1.6	2.3	3.6	-0.1	2.4
Jul	1.9	2.5	2.4	1.9	2.2	1.4	2.2	3.6	-0.4	2.6
Aug	2.1	2.7	2.6	2.2	2.7	1.7	2.4	3.3	-0.5	2.5
Sep	2.2	2.7	2.6	2.1	3.5	2.0	2.2	3.4	-0.3	2.2
Oct	2.3	2.6	2.5	2.1	3.5	2.2	2.1	2.8	-0.4	2.6
Nov	...	2.4	2.2	1.9	3.0	...	1.6	2.6	...	2.6
Dec	...	...	2.2	...	3.0	...	...	2.6	...	...

CONSUMER PRICES
Annual percentage changes



CONSUMER PRICES
Annual percentage changes



Sources: OECD, INE and Eurostat.

Note: The underlying series for this indicator are in Tables 26.11 and 26.15 of the BE Boletín Estadístico.

a. Harmonised Index of Consumer Prices for the EU countries.

2.4. BILATERAL EXCHANGE RATES AND NOMINAL AND REAL EFFECTIVE EXCHANGE RATE INDICES FOR THE EURO, US DOLLAR AND JAPANESE YEN

■ Series depicted in chart.

Average of daily data

	Exchange rates			Indices of the nominal effective exchange rate vis-à-vis the (a) developed countries 1999 Q1=100			Indices of the real effective exchange rate vis-à-vis the developed countries (b) 1999 Q1=100					
	US dollar per ECU/euro	Japanese yen per ECU/euro	Japanese yen per US dollar	Euro	US dollar	Japanese yen	Based on consumer prices			Based on producer prices		
							Euro	US dollar	Japanese yen	Euro	US dollar	Japanese yen
	1	2	3	4	5	6	7	8	9	10	11	12
09	1.3940	130.30	93.57	110.6	80.8	111.7	109.2	88.9	86.1	104.3	92.6	84.9
10	1.3267	116.42	87.78	103.7	78.6	119.9	101.6	86.7	90.2	98.1	93.0	87.7
11	1.3918	111.00	79.74	103.4	74.0	127.5	100.7	82.4	92.8	97.6	90.5	88.7
11 J-D	1.3918	111.00	79.74	103.4	74.0	127.5	100.7	82.4	92.8	97.6	90.5	88.7
12 J-D	1.2854	102.61	79.81	97.9	76.8	131.7	95.5	85.9	94.8	93.3	95.1	89.2
11 Oct	1.3706	105.06	76.65	103.0	74.8	133.7	100.2	83.1	97.0	97.1	91.6	92.1
Nov	1.3556	105.02	77.47	102.6	75.4	133.0	99.9	83.7	95.8	96.8	92.5	91.2
Dec	1.3179	102.55	77.81	100.8	76.3	134.1	98.1	84.7	96.6	95.2	93.5	92.1
12 Jan	1.2905	99.33	76.97	98.9	76.6	136.5	96.3	85.5	98.7	93.7	94.1	93.1
Feb	1.3224	103.77	78.46	99.6	75.5	132.1	97.2	84.4	95.3	94.7	93.0	89.8
Mar	1.3201	108.88	82.48	99.8	76.3	125.8	97.3	85.2	90.4	94.9	94.5	85.3
Apr	1.3162	107.00	81.30	99.5	76.1	127.8	97.2	84.9	91.6	94.5	94.4	86.2
May	1.2789	101.97	79.73	98.0	77.3	132.3	95.7	86.2	94.6	93.2	95.7	89.2
Jun	1.2526	99.26	79.24	97.2	78.3	134.5	94.9	87.6	95.9	92.3	96.6	90.7
Jul	1.2288	97.07	78.99	95.3	78.5	135.8	93.2	87.8	96.7	91.0	96.7	90.9
Aug	1.2400	97.58	78.69	95.2	77.6	135.4	93.1	87.1	96.1	91.2	96.3	89.9
Sep	1.2856	100.49	78.17	97.2	75.9	134.0	94.9	85.2	94.8	93.2	94.8	88.7
Oct	1.2974	102.47	78.98	97.8	75.9	132.2	95.4	85.0	93.4	94.0	94.8	87.7
Nov	1.2828	103.94	81.02	97.2	76.9	129.6	94.8	...	...	93.7	...	...
Dec	1.3119	109.71	83.61	98.7	76.4	124.2	...	...	...	...	...	...

EXCHANGE RATES



INDICES OF THE REAL EFFECTIVE EXCHANGE RATE BASED ON CONSUMER PRICES VIS-À-VIS THE DEVELOPED COUNTRIES



Sources: ECB and BE.

a. Geometric mean calculated using a double weighting system based on (1995-1997), (1998-2000), (2001-2003), and (2004-2006) manufacturing trade of changes in the spot price of each currency against the currencies of the other developed countries. A fall in the index denotes a depreciation of the currency against those of the other developed countries.

b. Obtained by multiplying the relative prices of each area/country (relation between its price index and the price index of the group) by the nominal effective exchange rate. A decline in the index denotes a depreciation of the real effective exchange rate and, may be interpreted as an improvement in that area/country's competitiveness.

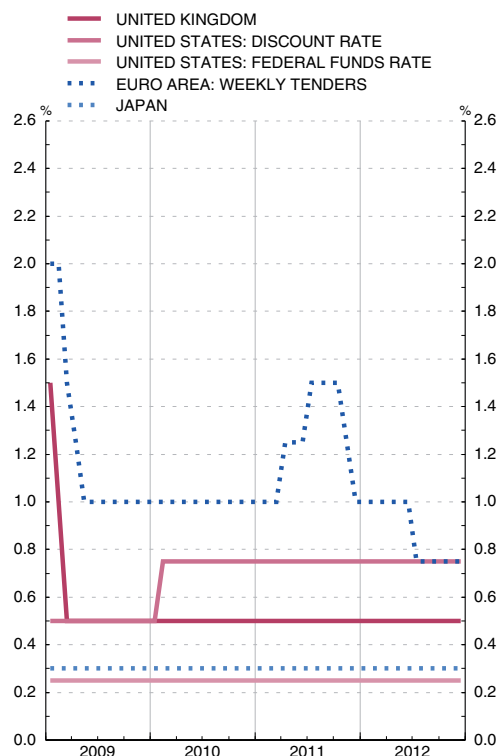
2.5. OFFICIAL INTERVENTION INTEREST RATES AND SHORT-TERM INTEREST RATES

■ Series depicted in chart.

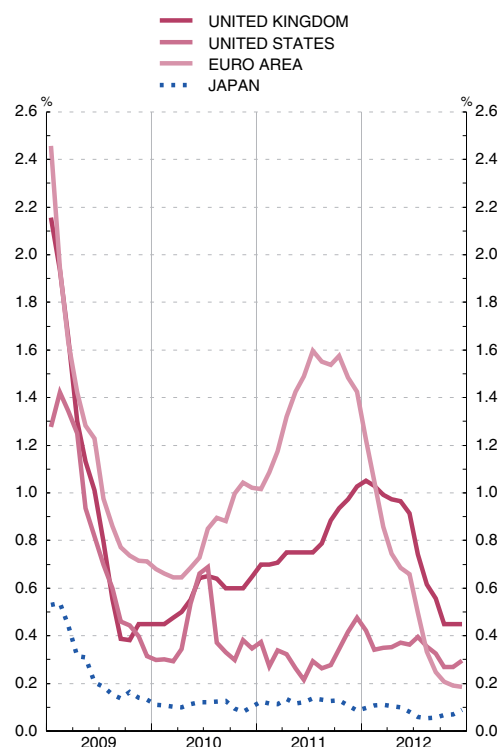
Percentages

	Official intervention interest rates					3-month interbank rates									
	Euro area	United States		Japan	United Kingdom	OECD	EU-15	Euro area	Germany	Spain	United States	France	Italy	Japan	United Kingdom
		Discount rate (b)	Federal funds rate	(c)	(d)										
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
09	1.00	0.50	0.25	0.30	0.50	0.93	1.19	1.22	-	1.23	0.83	-	-	0.27	1.01
10	1.00	0.75	0.25	0.30	0.50	0.61	0.78	0.81	-	0.87	0.40	-	-	0.11	0.57
11	1.00	0.75	0.25	0.30	0.50	0.81	1.32	1.39	-	1.34	0.32	-	-	0.12	0.81
11 Jul	1.50	0.75	0.25	0.30	0.50	0.86	1.48	1.60	-	-	0.29	-	-	0.14	0.75
Aug	1.50	0.75	0.25	0.30	0.50	0.83	1.44	1.55	-	1.45	0.26	-	-	0.13	0.79
Sep	1.50	0.75	0.25	0.30	0.50	0.84	1.46	1.54	-	1.68	0.28	-	-	0.13	0.88
Oct	1.50	0.75	0.25	0.30	0.50	0.88	1.49	1.58	-	-	0.34	-	-	0.13	0.93
Nov	1.25	0.75	0.25	0.30	0.50	0.88	1.42	1.48	-	1.46	0.42	-	-	0.11	0.97
Dec	1.00	0.75	0.25	0.30	0.50	0.88	1.38	1.43	-	-	0.48	-	-	0.09	1.03
12 Jan	1.00	0.75	0.25	0.30	0.50	0.79	1.21	1.22	-	1.16	0.42	-	-	0.10	1.05
Feb	1.00	0.75	0.25	0.30	0.50	0.71	1.07	1.05	-	1.07	0.34	-	-	0.11	1.03
Mar	1.00	0.75	0.25	0.30	0.50	0.65	0.91	0.86	-	0.94	0.35	-	-	0.11	0.99
Apr	1.00	0.75	0.25	0.30	0.50	0.62	0.81	0.74	-	-	0.35	-	-	0.11	0.97
May	1.00	0.75	0.25	0.30	0.50	0.60	0.76	0.68	-	-	0.37	-	-	0.10	0.96
Jun	1.00	0.75	0.25	0.30	0.50	0.58	0.72	0.66	-	-	0.36	-	-	0.08	0.91
Jul	0.75	0.75	0.25	0.30	0.50	0.53	0.56	0.50	-	-	0.40	-	-	0.06	0.74
Aug	0.75	0.75	0.25	0.30	0.50	0.45	0.40	0.33	-	-	0.35	-	-	0.05	0.62
Sep	0.75	0.75	0.25	0.30	0.50	0.41	0.32	0.25	-	-	0.32	-	-	0.06	0.56
Oct	0.75	0.75	0.25	0.30	0.50	-	-	0.21	-	-	0.27	-	-	0.07	0.45
Nov	0.75	0.75	0.25	0.30	0.50	-	-	0.19	-	-	0.27	-	-	0.07	0.45
Dec	0.75	0.75	0.25	0.30	0.50	-	-	0.19	-	-	0.30	-	-	0.09	0.45

OFFICIAL INTERVENTION INTEREST RATES



3-MONTH INTERBANK RATES



Sources: ECB, Reuters and BE.

a. Main refinancing operations.

b. As from January 2003, the Primary Credit Rate.

c. Discount rate.

d. Retail bank base rate.

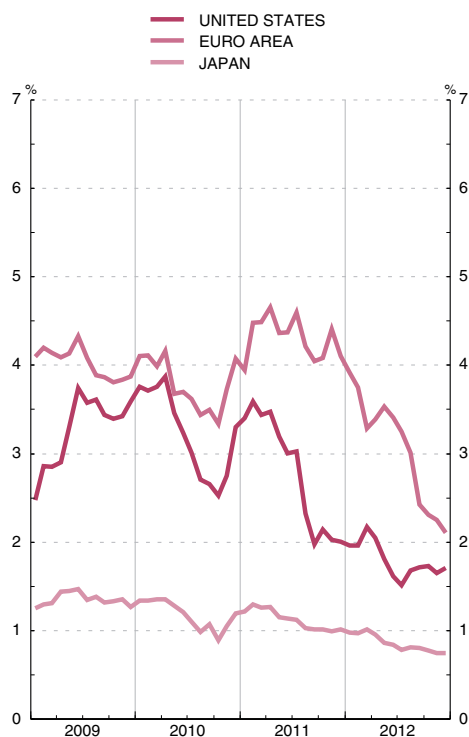
2.6. 10-YEAR GOVERNMENT BOND YIELDS ON DOMESTIC MARKETS

■ Series depicted in chart.

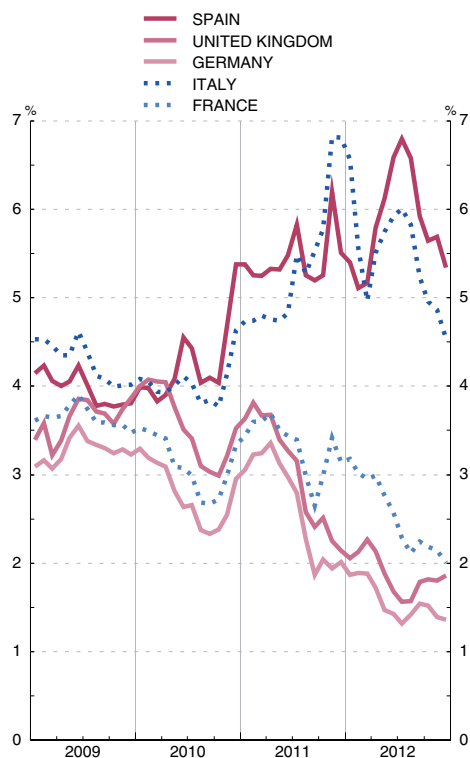
Percentages

	OECD	EU-15	Euro area	Germany	Spain	United States	France	Italy	Japan	United Kingdom
	1	2	3	4	5	6	7	8	9	10
09	3.18	3.74	4.03	3.27	3.97	3.27	3.65	4.28	1.35	3.63
10	3.05	3.52	3.78	2.78	4.25	3.22	3.12	4.03	1.18	3.56
11	3.03	4.02	4.31	2.66	5.44	2.80	3.32	5.36	1.12	3.04
11 Jul	3.21	4.22	4.59	2.79	5.82	3.03	3.40	5.49	1.12	3.15
Aug	2.70	3.74	4.21	2.27	5.25	2.32	2.99	5.28	1.03	2.57
Sep	2.49	3.58	4.04	1.87	5.20	1.98	2.65	5.53	1.01	2.41
Oct	2.63	3.77	4.09	2.04	5.25	2.14	2.99	5.77	1.01	2.51
Nov	2.68	4.05	4.41	1.94	6.19	2.02	3.42	6.82	0.99	2.25
Dec	2.64	4.00	4.11	2.01	5.50	2.00	3.14	6.81	1.01	2.14
12 Jan	2.62	4.00	3.92	1.87	5.40	1.96	3.18	6.56	0.98	2.05
Feb	2.56	3.83	3.75	1.89	5.11	1.96	3.02	5.56	0.97	2.13
Mar	2.55	3.56	3.29	1.88	5.17	2.17	2.96	4.96	1.01	2.26
Apr	2.52	3.65	3.39	1.72	5.79	2.05	2.99	5.51	0.95	2.14
May	2.38	3.63	3.53	1.47	6.13	1.81	2.76	5.75	0.86	1.88
Jun	2.28	3.61	3.41	1.43	6.59	1.61	2.57	5.92	0.84	1.68
Jul	2.17	3.46	3.25	1.32	6.79	1.51	2.28	6.01	0.78	1.56
Aug	2.22	3.37	3.01	1.42	6.58	1.68	2.11	5.82	0.81	1.57
Sep	2.18	3.23	2.43	1.54	5.92	1.71	2.24	5.23	0.81	1.78
Oct	2.12	3.08	2.31	1.52	5.65	1.73	2.18	4.96	0.78	1.82
Nov	2.05	2.99	2.25	1.39	5.69	1.65	2.14	4.86	0.74	1.80
Dec	1.99	2.79	2.10	1.36	5.34	1.71	2.00	4.54	0.75	1.86

10-YEAR GOVERNMENT BOND YIELDS



10-YEAR GOVERNMENT BOND YIELDS



Sources: ECB, Reuters and BE.

2.7 INTERNATIONAL MARKETS. NON-ENERGY COMMODITIES PRICE INDEX. CRUDE OIL AND GOLD PRICE.

■ Series depicted in chart.

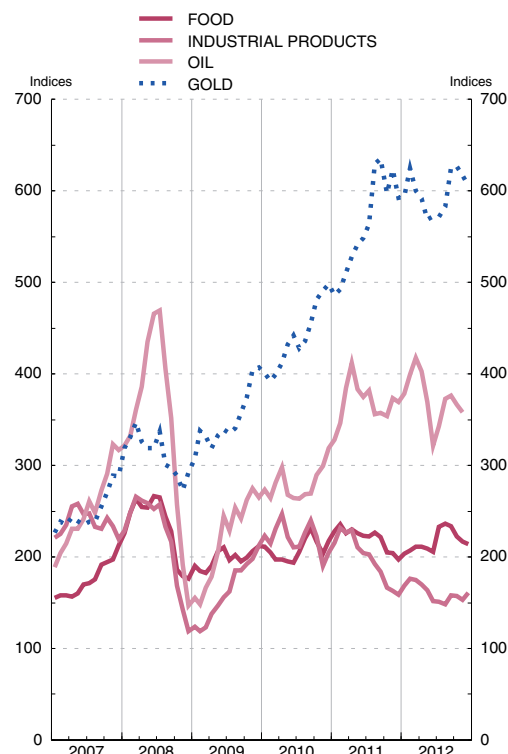
Base 2000 = 100

	Non-energy commodity price index (a)						Oil		Gold		
	Euro index	US dollar index					Index (b)	Brent North sea	Index (c)	US dollars per troy ounce	Euro per gram
	General	General	Food	Industrial products				US dollars per barrel			
				Total	Non-food agricultural products	Metals					
	1	2	3	4	5	6	7	8	9	10	11
07	136.4	202.3	175.1	237.4	162.4	278.4	252.1	73.0	249.8	696.7	16.32
08	142.2	227.4	232.4	221.0	176.0	245.5	343.7	97.2	312.5	871.7	19.07
09	120.8	182.3	198.0	162.2	136.0	176.4	219.2	61.7	348.8	973.0	22.42
10	158.6	213.1	207.9	220.2	211.2	225.9	280.0	79.9	439.2	1 225.3	29.76
11	187.3	209.6	220.3	198.5	239.6	180.9	368.4	112.2	562.6	1 569.5	36.29
11 J-D	187.3	209.6	220.3	198.5	239.6	180.9	368.4	112.2	562.6	1 569.5	36.29
12 J-D	183.8	189.6	217.0	161.1	171.7	156.6	...	112.4	598.0	1 668.3	41.73
11 Nov	168.7	184.1	204.4	163.0	183.6	154.1	373.2	111.1	623.4	1 739.0	41.24
Dec	168.6	178.4	197.0	158.9	174.5	152.3	369.3	108.7	592.3	1 652.3	40.18
12 Jan	179.4	186.5	203.6	168.7	183.8	162.3	378.6	111.1	593.7	1 656.1	41.35
Feb	179.8	191.8	206.9	176.2	192.6	169.2	399.2	120.6	624.7	1 742.6	42.37
Mar	181.9	193.2	210.9	174.5	192.8	166.7	417.2	126.8	600.0	1 673.8	40.75
Apr	180.0	191.0	210.9	170.2	191.5	161.1	402.9	120.5	591.3	1 649.6	40.30
May	180.8	186.9	209.4	163.6	180.9	156.2	368.9	111.0	568.3	1 585.5	39.83
Jun	177.9	179.1	205.5	151.5	165.9	146.8	321.4	95.7	572.4	1 596.7	40.94
Jul	195.1	192.9	232.9	151.3	161.7	146.9	342.7	103.1	571.4	1 593.9	41.71
Aug	192.9	193.1	236.1	148.4	155.9	145.2	372.9	114.1	582.9	1 626.0	42.22
Sep	189.8	196.5	233.4	158.2	158.8	158.0	376.6	113.2	625.3	1 744.5	43.59
Oct	189.4	190.6	222.7	157.4	160.0	156.2	366.2	112.2	626.2	1 747.0	43.28
Nov	180.1	185.6	217.1	152.8	156.2	151.3	358.3	110.2	616.9	1 720.9	43.12
Dec	177.8	187.8	214.0	160.5	161.5	160.1	...	110.9	605.3	1 688.5	41.38

NON-ENERGY COMMODITY PRICE INDEX



PRICE INDICES FOR NON-ENERGY COMMODITIES, OIL AND GOLD



Sources: The Economist, IMF, ECB and BE.

a. The weights are based on the value of the world commodity imports during the period 1999-2001.

b. Index of the average price in US dollars of various medium, light and heavy crudes.

c. Index of the London market's 15.30 fixing in dollars.

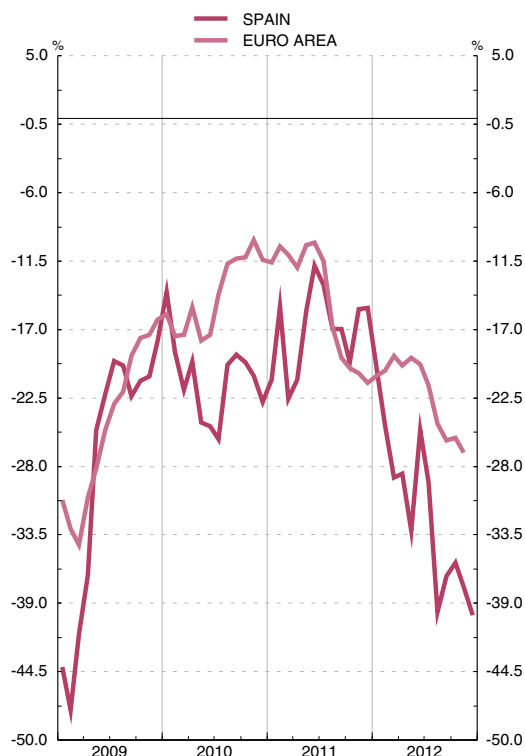
3.1 INDICATORS OF PRIVATE CONSUMPTION. SPAIN AND EURO AREA

■ Series depicted in chart.

Annual percentage changes

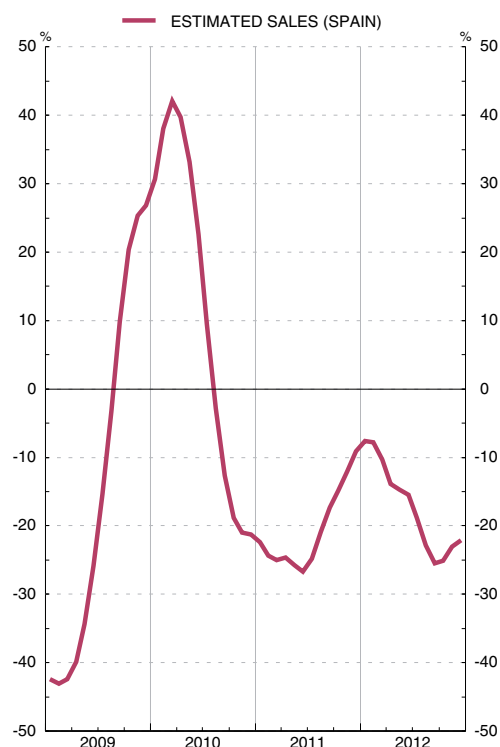
	Opinion surveys (net percentages)						New car registrations and sales				Retail trade indices (2005=100, NACE 2009) (Deflated indices)							
	Consumers			Retail trade confidence index	Memorandum item: euro area		of which		Estimated sales	Memorandum item: euro area	General retail trade index	General index without petrol stations						
												of which		Large retail outlets	Large chain stores	Small chain stores	Single-outlet retailers	Memorandum item: euro area
	Confidence index	General economic situation: anticipated trend	Household economic situation: anticipated trend		Consumer confidence index	Retail trade confidence index	Registrations	Private use											Registrations	Total	Food
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
09	-28.2	-26.2	-13.2	-24.6	-24.8	-15.5	-18.1	-10.7	-17.9	4.4	-5.7	-5.8	-3.4	-6.0	-1.6	-7.1	-7.2	-2.2
10	-20.9	-18.0	-9.7	-17.2	-14.2	-4.1	3.0	...	3.1	-8.1	-1.6	-0.9	-0.4	-1.6	1.9	-3.1	-2.0	1.3
11	P -17.1	-13.8	-6.7	-19.8	-14.6	-5.5	-18.3	...	-17.7	-0.7	-5.7	-5.6	-2.8	-7.2	-0.7	-7.2	-7.0	-0.3
11 J-D	P -17.1	-13.8	-6.7	-19.8	-14.6	-5.5	-18.3	...	-17.7	-0.7	-5.7	-5.6	-2.8	-7.2	-0.7	-7.2	-7.0	-0.3
12 J-D	P -31.6	-30.7	-18.0	-21.4	...	...	...	...	-13.4	...	...	...	...	...	...	...	...	...
12 Jan	P -20.2	-17.6	-9.5	-24.6	-20.7	-15.5	1.9	...	2.5	-13.2	-4.6	-4.2	-1.2	-8.2	-1.3	-4.2	-4.1	-0.8
Feb	P -24.7	-19.9	-7.5	-22.2	-20.3	-14.0	-2.7	...	-2.1	-14.7	-3.7	-3.3	-0.1	-4.6	1.3	-5.0	-5.3	-1.2
Mar	P -28.9	-23.8	-13.3	-22.2	-19.1	-12.0	-4.4	...	-4.5	-7.2	-3.9	-2.8	0.7	-3.6	2.8	-6.6	-5.1	0.4
Apr	P -28.6	-24.9	-15.6	-21.2	-19.9	-11.1	-21.5	...	-21.7	-7.7	-11.5	-11.3	-6.8	-16.9	-8.7	-12.5	-10.6	-3.1
May	P -33.2	-34.1	-18.7	-23.8	-19.3	-18.1	-7.3	...	-8.1	-6.6	-4.2	-3.6	-1.2	-5.9	0.6	-4.6	-5.4	-0.3
Jun	P -25.1	-24.8	-14.7	-17.6	-19.8	-14.4	-11.7	...	-12.1	-6.0	-4.5	-4.0	-0.8	-6.3	2.5	-6.4	-6.7	-0.6
Jul	P -29.3	-29.1	-18.4	-21.0	-21.5	-15.0	-16.7	...	-17.2	-15.3	-7.0	-6.6	-3.8	-10.4	-2.5	-9.0	-7.5	-1.0
Aug	P -39.7	-45.2	-26.6	-23.7	-24.6	-17.2	4.3	...	3.4	-9.8	-1.9	-1.3	0.3	-1.2	0.3	-4.7	-2.0	-0.4
Sep	P -36.8	-39.0	-25.1	-25.5	-25.9	-18.5	-36.2	...	-36.8	-12.0	-12.8	-12.1	-5.9	-14.8	-5.5	-15.3	-15.4	-1.1
Oct	P -35.8	-34.9	-21.8	-20.5	-25.7	-17.4	...	...	-21.7	-15.3	-8.4	-7.9	-3.2	-12.6	-2.6	-10.7	-9.1	-2.8
Nov	P -37.7	-35.3	-21.8	-16.1	-26.9	-14.9	...	...	-20.3	-15.2	-7.8	-7.9	-2.4	-9.7	-2.7	-11.0	-9.9	-2.5
Dec	P -40.0	-39.7	-23.0	-18.0	...	...	...	...	-23.0	...	...	...	...	...	...	...	...	...

CONSUMER CONFIDENCE INDEX



CAR SALES

Trend obtained with TRAMO-SEATS



Sources: European Commission, European Economy, Supplement B, INE, Dirección General de Tráfico, Asociación Nacional de Fabricantes de Automóviles y Camiones and ECB.

a. Data adjusted by working days.

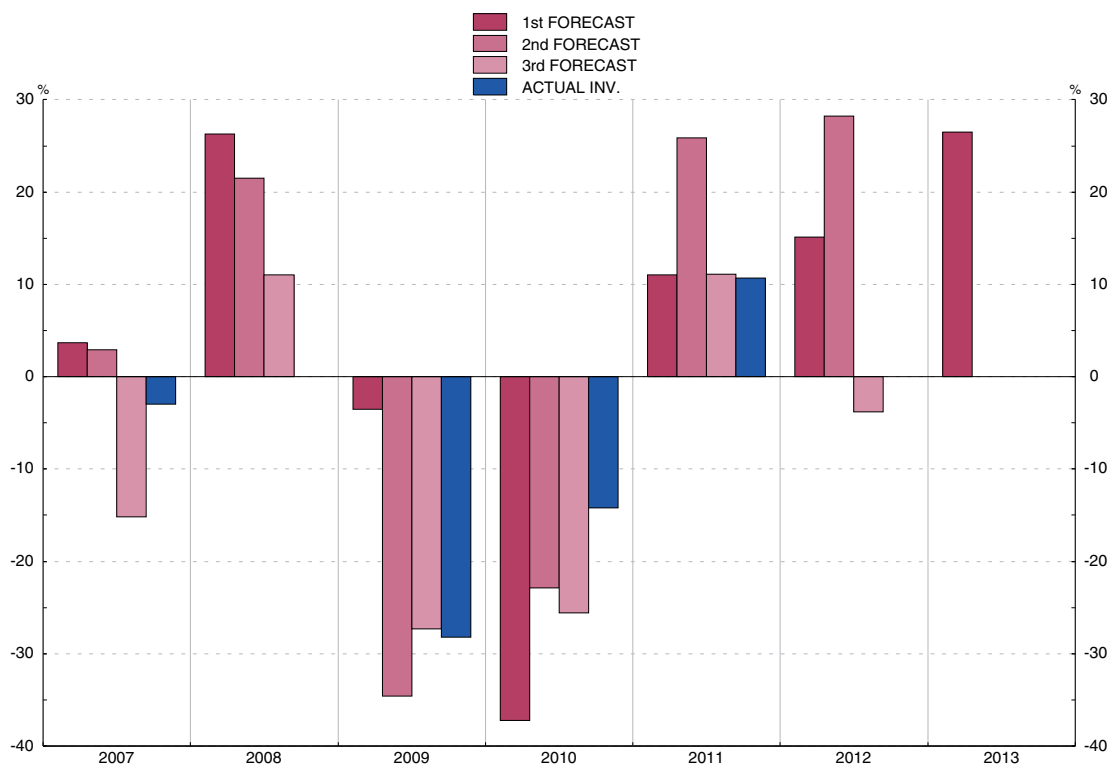
3.2. INVESTMENT IN INDUSTRY (EXCLUDING CONSTRUCTION): OPINION SURVEYS. SPAIN

■ Series depicted in chart.

Annual percentage changes at current prices

	1	2	3	4	
	ACTUAL INV.	1st FORECAST	2nd FORECAST	3rd FORECAST	
07	1				
08		-3	4	3	-15
09		-	26	22	11
10		-28	-4	-35	-27
11		-14	-37	-23	-26
12		11	11	26	11
13		...	15	28	-4
		...	27	...	...

INVESTMENT IN INDUSTRY Annual rates of change



Source: Ministerio de Industria, Energía y Turismo.

Note: The first forecast is made in the autumn of the previous year and the second and third ones in the spring and autumn of the current year, respectively; the information relating to actual investment for the year t is obtained in the spring of the year t+1.

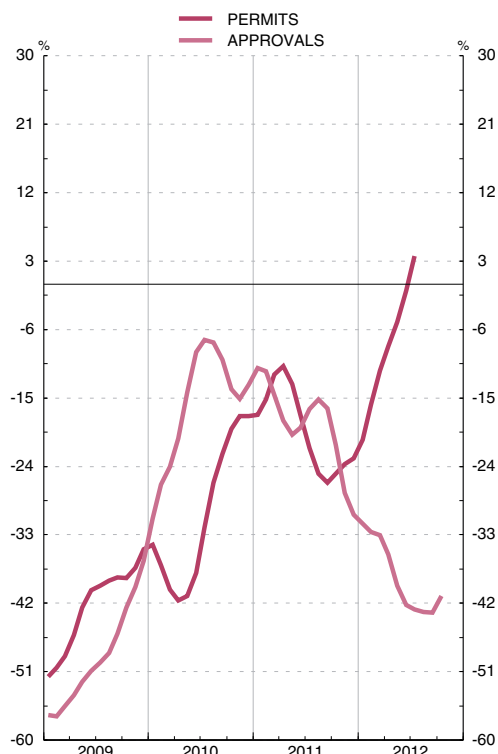
3.3. CONSTRUCTION. INDICATORS OF BUILDING STARTS AND CONSUMPTION OF CEMENT. SPAIN

■ Series depicted in chart.

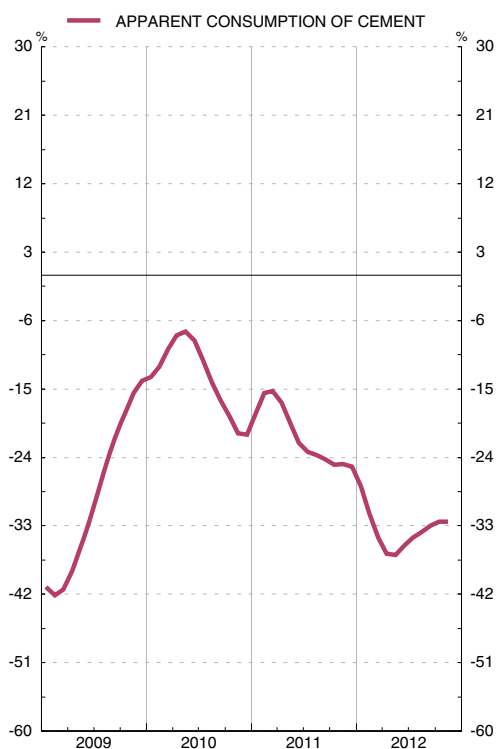
Annual percentage changes

		Permits: buildable floorage				Approvals: buildable floorage		Government tenders (budget)							Apparent consumption of cement	
		Total	of which		Non-residential	Total	of which		Total		Building					Civil engineering
			Residential	Housing			For the month	Year to date	Total	Residential	of which		Non-residential			
											Housing					
1	2	3	4	5	6	7	8	9	10	11	12	13	14			
09		-43.4	-49.3	-49.2	-27.2	-51.4	-56.8	-8.2	-8.2	1.1	3.7	-19.9	0.3	-11.4	-32.3	
10		-28.7	-24.3	-25.2	-36.9	-16.0	-16.1	-38.0	-38.0	-20.3	-38.5	-38.7	-14.6	-45.2	-15.4	
11	P	-16.4	-17.5	-16.6	-13.9	-18.6	-13.2	-46.2	-46.2	-56.6	-47.8	-51.0	-58.6	-40.2	-16.5	
11 J-N	P	-11.2	-13.6	-12.9	-6.0	-17.3	-11.6	-43.8	-43.8	-55.4	-46.9	-49.0	-57.4	-36.8	-16.2	
12 J-N	P	...	...	...	...	...	...	...	...	...	...	...	...	...	-33.8
11 Aug	P	-24.9	-27.4	-28.8	-19.5	-4.6	-9.0	-50.9	-42.0	-47.6	-48.6	-59.5	-47.4	-52.4	-18.2	
Sep	P	-37.8	-32.6	-29.9	-49.5	-14.8	4.8	-40.0	-41.8	-43.3	-40.4	-50.5	-44.2	-39.1	-21.6	
Oct	P	-18.7	-19.7	-17.3	-16.9	-7.4	-0.7	-66.7	-44.1	-48.4	-13.8	-82.1	-56.2	-78.4	-27.5	
Nov	P	-20.2	-26.4	-21.5	-3.4	-41.4	-35.8	-40.1	-43.8	-66.2	-79.8	-85.1	-62.3	-30.6	-25.3	
Dec	P	-51.7	-44.4	-41.9	-68.2	-32.6	-30.4	-72.0	-46.2	-71.6	-67.4	-77.9	-72.1	-72.1	-21.9	
12 Jan	P	-50.3	-51.8	-50.2	-45.1	-24.5	-29.8	-67.8	-67.8	-66.3	-83.4	-87.7	-63.2	-68.7	-23.3	
Feb	P	-20.1	-20.8	-17.4	-18.5	-38.5	-34.7	-17.7	-42.4	-39.6	-83.1	-64.2	-35.2	-6.5	-32.0	
Mar	P	-26.9	-25.4	-25.6	-29.7	-27.9	-26.7	-68.0	-50.6	-68.1	-72.7	13.2	-65.9	-67.9	-36.5	
Apr	P	-8.1	-8.7	-6.3	-7.4	-34.3	-32.2	-56.7	-51.9	-59.3	-87.8	-90.0	-46.2	-55.2	-41.1	
May	P	-16.8	-37.1	-36.1	32.1	-38.9	-36.3	-35.1	-46.3	-43.1	-73.6	-55.4	-37.9	-33.5	-37.2	
Jun	P	-39.9	-26.9	-26.3	-59.7	-49.2	-55.2	-50.6	-46.9	-44.6	-86.3	-82.8	-23.4	-53.4	-35.0	
Jul	P	11.6	4.9	8.9	24.6	-38.8	-38.5	...	...	...	...	...	...	...	-32.4
Aug	P	...	...	...	...	-42.0	-38.2	...	...	...	...	...	...	...	-33.6
Sep	P	...	...	...	...	-52.1	-57.1	...	...	...	...	...	...	...	-37.9
Oct	P	...	...	...	...	-40.2	-43.7	...	...	...	...	...	...	...	-24.7
Nov	P	...	...	...	...	...	...	...	...	...	...	...	...	...	-33.7

CONSTRUCTION
Trend obtained with TRAMO-SEATS



CONSTRUCTION
Trend obtained with TRAMO-SEATS



Sources: Ministerio de Fomento and Asociación de Fabricantes de Cemento de España.

Note: The underlying series for this indicator are in Tables 23.7, 23.8, and 23.9 of the BE Boletín estadístico.

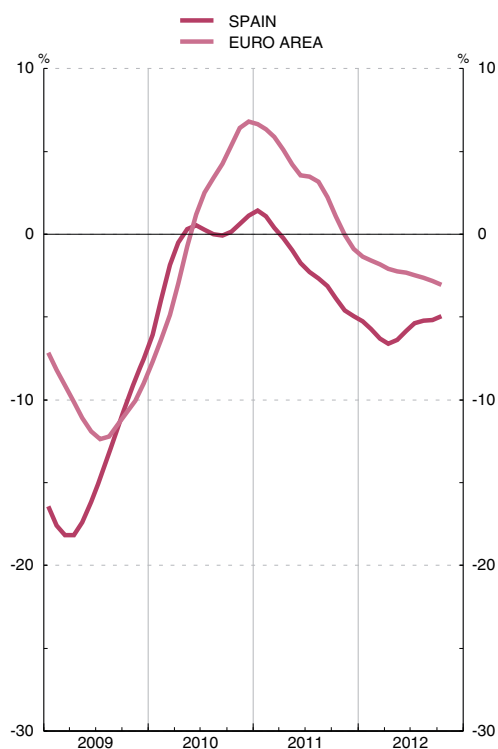
3.4. INDUSTRIAL PRODUCTION INDEX. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

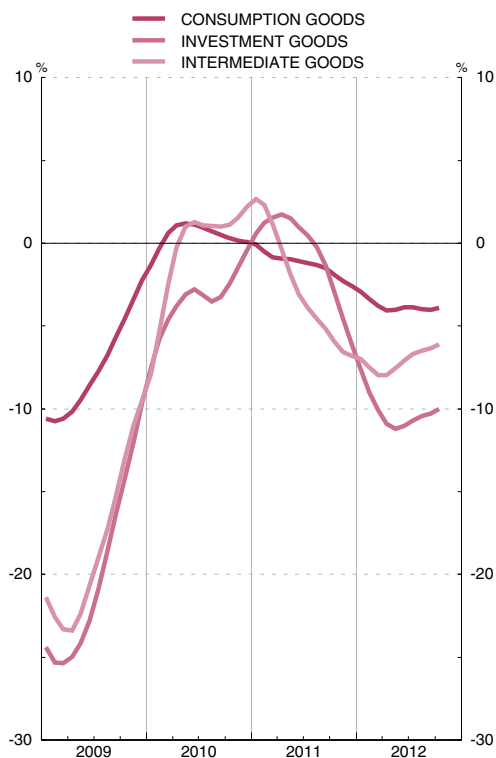
Annual percentage changes

		Overall Index		By end-use of goods				By branch of activity (NACE 2009)			Memorandum item: euro area				
		Total		Consumer goods	Capital goods	Intermediate goods	Energy	Mining and quarrying	Manufacturing	Electricity and gas supply	of which		By end-use of goods		
		Original series	12-month % change 12								Total	Manufacturing	Consumer goods	Capital goods	Intermediate goods
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
09	MP	82.6	-16.2	-8.8	-22.5	-21.4	-8.6	-24.3	-17.0	-7.6	-14.9	-15.9	-5.0	-20.9	-19.2
10	MP	83.4	0.9	0.9	-3.3	2.7	2.5	4.4	0.6	2.9	7.3	7.7	3.0	9.2	10.0
11	MP	81.9	-1.8	-1.4	0.3	-2.6	-3.6	-14.6	-1.4	-3.6	3.4	4.5	0.6	8.6	4.1
11 J-O	MP	82.4	-0.8	-0.9	2.1	-1.3	-3.1	-14.9	-0.3	-2.9	4.3	5.4	0.9	9.8	5.0
12 J-O	MP	77.8	-5.6	-3.8	-10.9	-6.9	1.1	-18.7	-6.1	0.1	-2.3	-2.4	-2.8	-0.6	-3.8
11 Jul	P	85.0	-5.2	-4.3	-1.3	-6.2	-10.2	-15.3	-4.6	-9.3	4.1	4.9	-0.9	11.4	4.1
Aug	P	64.1	0.3	3.0	7.3	-3.4	-3.1	-23.3	1.5	-4.1	5.7	6.7	2.7	12.3	5.3
Sep	P	84.9	-1.4	0.7	1.1	-4.3	-2.9	-17.8	-1.2	-1.6	2.1	2.6	0.1	5.6	1.9
Oct	P	81.1	-4.5	-2.4	-1.9	-6.3	-7.6	-20.7	-4.0	-6.0	0.8	1.6	0.2	4.6	-0.2
Nov	P	84.0	-7.0	-4.0	-7.8	-9.9	-5.2	-16.2	-6.9	-6.3	-0.1	0.7	-1.8	4.4	-0.7
Dec	P	74.2	-6.5	-4.0	-8.1	-8.1	-6.4	-8.5	-6.4	-7.2	-1.8	0.2	-0.6	1.8	-0.4
12 Jan	P	78.4	-2.6	0.9	-6.0	-3.5	-3.6	-	-2.3	-5.1	-1.8	-0.8	-2.0	1.5	-1.9
Feb	P	80.8	-3.2	-2.3	-9.0	-5.2	7.9	-2.6	-4.7	8.9	-1.8	-2.6	-4.8	1.1	-4.6
Mar	P	82.7	-10.5	-8.2	-14.3	-13.1	-3.1	-12.6	-11.0	-5.6	-1.7	-1.1	-2.4	2.5	-2.9
Apr	P	72.3	-8.4	-7.5	-15.5	-8.2	-0.2	-6.0	-9.7	3.5	-2.6	-3.3	-4.3	-1.0	-4.4
May	P	82.0	-5.9	-3.0	-12.7	-6.7	0.3	-16.0	-6.5	2.3	-2.6	-2.7	-2.6	-1.7	-3.7
Jun	P	80.7	-6.9	-3.1	-13.6	-8.0	-1.9	-42.7	-6.9	-1.7	-2.0	-2.3	-2.2	-0.7	-3.6
Jul	P	82.5	-2.9	-1.4	-7.2	-4.8	4.9	-35.6	-2.7	0.5	-2.7	-2.7	-3.4	-1.6	-3.9
Aug	P	62.5	-2.5	-2.9	-5.8	-4.6	4.2	-21.0	-3.1	2.5	-1.3	-1.3	-0.2	0.2	-3.6
Sep	P	74.6	-12.1	-12.1	-18.9	-12.2	-1.9	-26.7	-12.7	-4.4	-2.8	-3.0	-3.0	-1.3	-4.4
Oct	P	81.6	0.6	2.2	-2.5	-1.1	5.8	-17.6	0.7	2.3	-3.6	-3.8	-2.7	-4.3	-4.6

INDUSTRIAL PRODUCTION INDEX
Trend obtained with TRAMO-SEATS



INDUSTRIAL PRODUCTION INDEX
Trend obtained with TRAMO-SEATS



Sources: INE and BCE.

Note: The underlying series for this indicator are in Table 23.1 of the BE Boletín estadístico.

a. Spain 2005 = 100; euro area 2000 = 100.

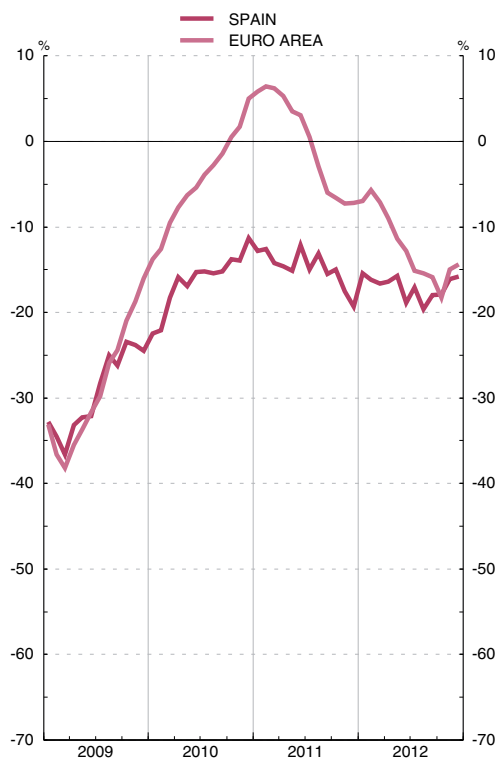
3.5. MONTHLY BUSINESS SURVEY: INDUSTRY AND CONSTRUCTION. SPAIN AND EURO AREA (NACE 2009)

■ Series depicted in chart.

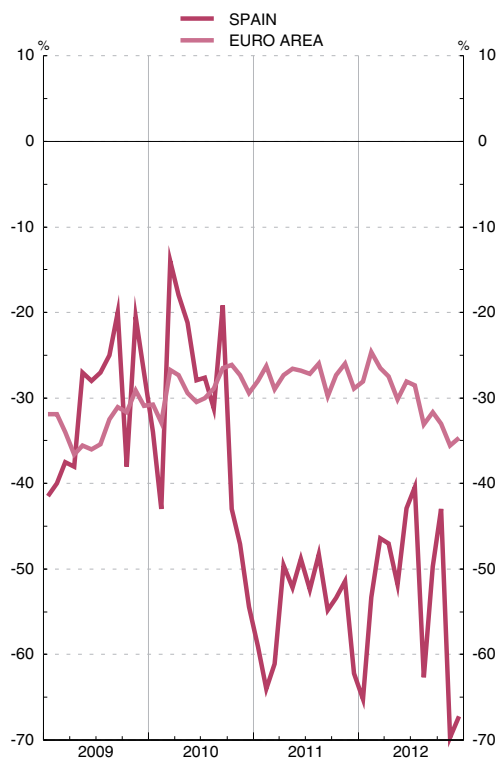
Percentage balances

		Industry, excluding construction										Construction					Memorandum item: euro area (b)		
		Business climate indicator- (a) 1	Production over the last three months 2	Trend in production (a) 3	Total orders (a) 4	Foreign orders 5	Stocks of finished products (a) 6	Business climate indicator				Business climate indicator 11	Production 12	Orders 13	Trend		Industry, excluding construction		Construction climate indicator 18
								Consumption (a) 7	Investment (a) 8	Intermediate goods (a) 9	Other sectors (a) 10				Production 14	Orders 15	Business climate indicator 16	Order Book 17	
09	M	-29	-34	-11	-54	-52	23	-19	-26	-37	-44	-31	-20	-32	-13	-19	-29	-57	-33
10	M	-16	-8	-1	-37	-29	11	-10	-14	-18	-52	-32	-19	-31	-26	-33	-5	-25	-29
11	M	-15	-12	-3	-31	-24	11	-10	-12	-17	-45	-55	-23	-48	-46	-45	0	-7	-27
11 J-D	M	-15	-12	-3	-31	-24	11	-10	-12	-17	-45	-55	-23	-48	-46	-45	0	-7	-27
12 J-D	M	-17	-20	-5	-37	-26	9	-10	-16	-23	-15	-53	-21	-47	-45	-59	-12	-25	-30
11 Sep		-16	-11	-4	-32	-28	11	-9	-15	-22	-28	-55	-38	-46	-51	-56	-6	-12	-30
Oct		-15	-19	-3	-32	-23	11	-7	-8	-22	-34	-53	-12	-46	-31	-54	-7	-14	-27
Nov		-18	-26	-7	-36	-29	10	-9	-19	-24	-29	-51	-37	-33	-71	-74	-7	-14	-26
Dec		-19	-30	-6	-38	-30	14	-10	-26	-26	-35	-62	-19	-43	-65	-62	-7	-16	-29
12 Jan		-15	-26	-2	-37	-26	7	-10	-15	-17	-10	-65	-14	-50	-67	-66	-7	-16	-28
Feb		-16	-26	-4	-35	-26	10	-12	-14	-19	-6	-53	-40	-46	-49	-51	-6	-14	-25
Mar		-17	-19	-7	-33	-19	9	-10	-15	-21	-8	-46	-29	-31	-34	-61	-7	-17	-27
Apr		-16	-17	-5	-34	-23	10	-7	-16	-23	-10	-47	7	-33	-31	-67	-9	-19	-28
May		-16	-18	-2	-37	-25	8	-9	-16	-20	-16	-52	-26	-52	-42	-65	-11	-24	-30
Jun		-19	-16	-9	-39	-28	9	-7	-17	-25	-34	-43	-14	-43	-45	-63	-13	-26	-28
Jul		-17	-18	-3	-40	-27	9	-10	-9	-26	-24	-40	-14	-43	-17	-47	-15	-28	-29
Aug		-20	-22	-10	-39	-27	10	-11	-23	-25	-31	-63	-27	-60	-56	-62	-15	-29	-33
Sep		-18	-17	-5	-38	-25	11	-10	-20	-24	-29	-50	-43	-58	-24	-38	-16	-31	-32
Oct		-18	-22	-7	-38	-26	8	-12	-16	-26	-5	-43	-25	-32	-55	-55	-18	-35	-33
Nov		-16	-18	-3	-38	-29	7	-11	-15	-22	-2	-70	-10	-63	-43	-73	-15	-32	-36
Dec		-16	-27	-0	-39	-29	8	-13	-12	-23	-3	-67	-19	-56	-71	-62	-14	-32	-35

INDUSTRIAL BUSINESS CLIMATE
Percentage balances



CONSTRUCTION BUSINESS CLIMATE
Percentage balances



Sources: Ministerio de Industria, Energía y Turismo and ECB.

a. Seasonally adjusted.

b. To April 2010, NACE 1993; from May 2010, NACE 2009.

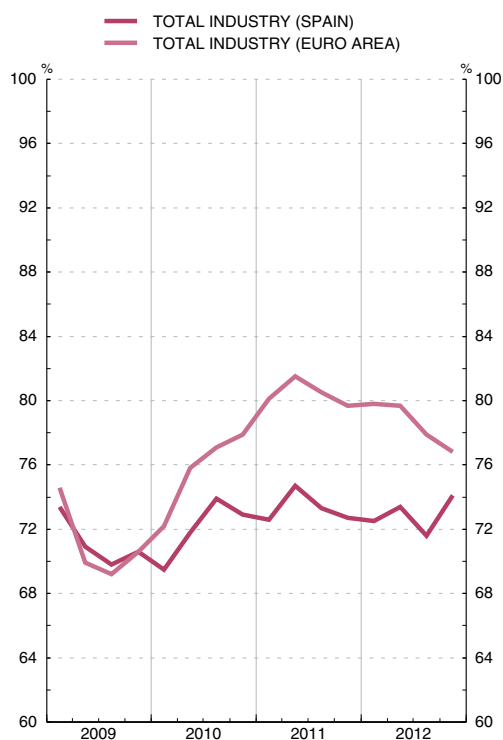
3.6. BUSINESS SURVEY: CAPACITY UTILISATION. SPAIN AND EURO AREA (NACE 2009)

■ Series depicted in chart.

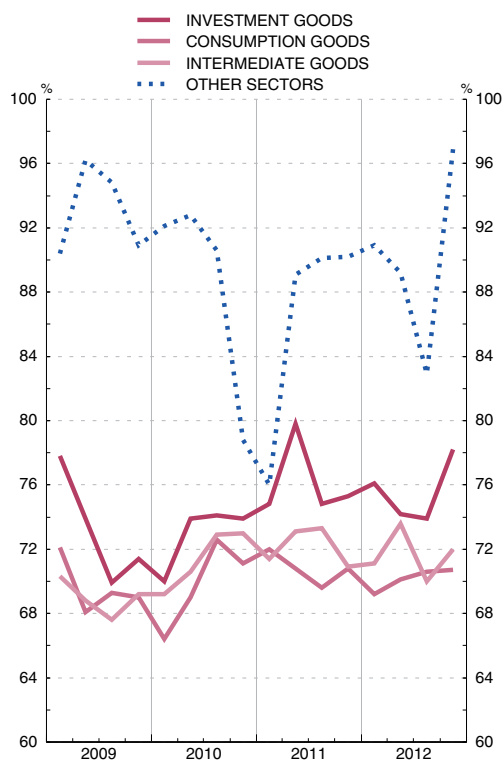
Percentages and percentage balances

	Total industry			Consumer goods			Investment goods			Intermediate goods			Other sectors (a)			Memo- randum item: euro area capacity utilisa- tion (b) (%)
	Capacity utilisation		Installed capacity	Capacity utilisation		Installed capacity	Capacity utilisation		Installed capacity	Capacity utilisation		Installed capacity	Capacity utilisation		Installed capacity	
	Over last three months	Forecast		Over last three months	Forecast		Over last three months	Forecast		Over last three months	Forecast		Over last three months	Forecast		
	(%)	(%)	(Per- centage balan- ces)	(%)	(%)	(Per- centage balan- ces)	(%)	(%)	(Per- centage balan- ces)	(%)	(%)	(Per- centage balan- ces)	(%)	(%)	(Per- centage balan- ces)	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
09	71.2	71.4	26	69.6	70.7	18	73.3	73.6	25	69.0	68.5	34	93.1	94.3	1	71.1
10	72.0	72.8	22	69.8	70.5	18	73.0	72.5	23	71.4	72.9	24	88.6	90.5	18	75.8
11	73.3	73.7	18	70.8	71.8	17	76.2	75.2	16	72.2	72.7	22	86.4	87.6	4	80.5
11 Q1-Q4	73.3	73.7	18	70.8	71.8	17	76.2	75.2	16	72.2	72.7	22	86.4	87.6	4	80.5
12 Q1-Q4	72.9	73.6	21	70.2	71.0	16	75.6	76.1	16	71.7	72.0	30	90.0	93.3	3	78.6
10 Q2	71.8	73.9	21	69.0	70.1	19	73.9	74.3	22	70.6	74.3	24	92.8	93.6	-	75.8
Q3	73.9	74.6	15	72.6	73.6	10	74.1	74.5	19	72.9	73.8	18	90.6	90.9	0	77.1
Q4	72.9	72.1	26	71.1	71.3	21	73.9	70.3	25	73.0	72.4	24	78.8	84.5	73	77.9
11 Q1	72.6	73.4	16	72.0	72.6	13	74.8	75.0	15	71.4	72.7	20	76.0	78.4	3	80.1
Q2	74.7	75.8	17	70.8	72.7	20	79.8	79.6	9	73.1	74.2	21	89.1	91.9	-	81.5
Q3	73.3	73.4	20	69.6	70.7	20	74.8	73.5	16	73.3	73.5	22	90.1	90.0	6	80.5
Q4	72.7	72.0	21	70.8	71.3	17	75.3	72.6	24	70.9	70.4	23	90.2	90.1	8	79.7
12 Q1	72.5	73.4	23	69.2	70.3	20	76.1	75.9	15	71.1	72.3	31	90.9	90.9	4	79.8
Q2	73.4	74.6	21	70.1	71.4	15	74.2	75.3	16	73.6	74.6	30	89.2	92.9	5	79.7
Q3	71.6	72.3	21	70.6	70.9	16	73.9	75.2	19	70.0	69.8	27	82.9	92.6	1	77.9
Q4	74.1	73.9	21	70.7	71.5	13	78.2	77.8	14	72.0	71.2	31	96.9	96.9	1	76.8

CAPACITY UTILISATION. TOTAL INDUSTRY
Percentages



CAPACITY UTILISATION. BY TYPE OF GOOD
Percentages



Sources: Ministerio de Industria, Energía y Turismo and ECB.

a. Includes mining and quarrying, manufacture of coke and refined petroleum products, and nuclear fuels.

b. To April 2010, NACE 1993; from May 2010, NACE 2009.

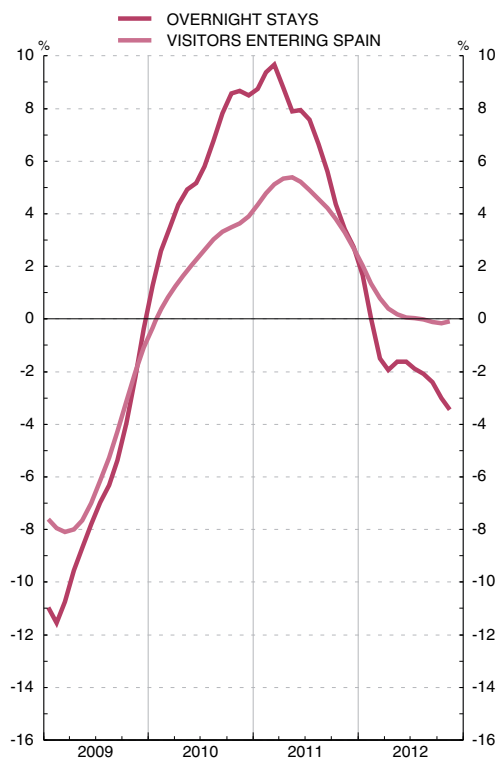
3.7. TOURISM AND TRANSPORT STATISTICS. SPAIN

■ Series depicted in chart.

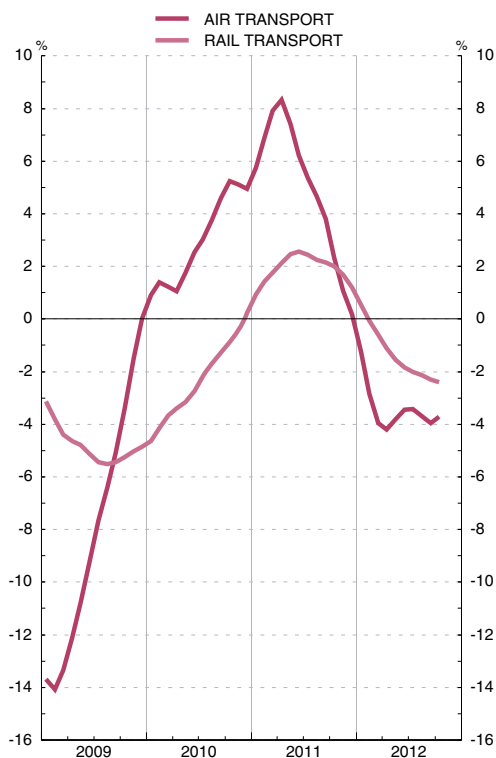
Annual percentage changes

		Hotel stays (a)		Overnight stays		Visitors entering Spain			Air transport				Maritime transport		Rail transport	
		Total	Foreigners	Total	Foreigners	Total	Tourists	Day-trip-ers	Passengers			Freight	Passen-gers	Freight	Passen-gers	Freight
									Total	Domestic flights	Interna-tional flights					
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
09	P	-7.2	-10.8	-6.9	-9.6	-5.9	-8.8	-1.9	-8.0	-8.0	-8.0	-9.6	-4.1	-12.9	-5.5	-24.8
10	P	5.7	10.6	5.5	7.6	2.0	1.0	3.4	3.0	1.3	4.1	15.8	2.8	4.6	-2.8	-3.0
11	P	3.8	10.6	6.4	12.7	6.0	6.8	5.0	6.1	-0.4	10.5	2.2	-5.4	5.8	2.6	7.9
11 J-N	P	4.1	10.9	6.6	12.9	6.1	6.8	5.1	6.3	-0.4	10.6	2.7	-5.3	5.1	2.7	9.3
12 J-N	P	-2.4	1.6	-1.7	2.3	0.1	2.9	-3.7	...	...	...	...	...	...	...	...
11 Aug	P	5.8	13.0	6.6	12.7	4.4	7.2	1.2	4.6	-0.3	7.4	4.3	-11.8	8.5	0.3	18.4
Sep	P	6.0	9.7	8.0	11.4	7.9	10.9	3.6	7.6	1.8	10.9	8.0	8.4	5.3	2.4	23.5
Oct	P	-0.2	7.7	3.2	10.8	6.4	9.4	2.1	2.3	-6.3	7.5	0.4	2.9	1.9	3.2	4.3
Nov	P	-1.6	1.2	2.1	6.4	1.3	3.2	-0.9	-2.1	-7.0	1.9	-1.6	-0.5	6.9	3.4	4.8
Dec	P	-1.4	3.1	2.0	7.7	4.3	5.5	3.2	4.1	-1.5	8.8	-2.3	-5.9	12.8	2.3	-9.7
12 Jan	P	2.6	4.3	3.5	6.1	1.0	4.6	-2.3	-3.0	-7.4	0.2	-5.0	8.3	8.7	2.4	3.6
Feb	P	-1.2	2.0	-0.7	1.3	-2.5	0.8	-5.9	-5.7	-12.2	-0.6	-2.8	13.7	10.3	2.5	0.1
Mar	P	-0.6	0.4	-3.5	-3.8	-1.7	2.5	-6.4	-7.0	-15.0	-1.1	-6.6	20.0	9.5	-1.6	-10.5
Apr	P	-4.0	-2.8	-4.8	-4.6	-5.1	-1.7	-9.4	-7.2	-14.1	-3.0	-3.5	0.8	5.8	-2.1	1.7
May	P	-0.4	2.1	0.4	3.5	1.5	5.8	-5.1	-3.8	-10.1	-0.1	-5.1	-5.5	4.7	-2.6	4.0
Jun	P	-2.3	1.4	-1.3	2.7	-2.2	4.7	-12.8	-1.3	-8.4	2.5	-0.7	0.7	7.5	-3.3	-3.9
Jul	P	-3.7	3.0	-1.4	4.3	2.2	4.4	-1.3	-2.5	-8.6	0.7	-4.2	-12.1	6.6	-2.3	-4.0
Aug	P	-3.2	1.0	-2.1	3.5	4.2	5.0	3.2	-3.0	-10.1	0.6	-12.6	0.2	0.8	-1.0	-1.9
Sep	P	-1.7	5.5	-0.1	5.8	3.3	5.1	0.4	-3.5	-12.6	1.3	-4.3	-1.2	5.7	-5.8	-13.9
Oct	P	-5.4	-1.4	-3.6	0.4	-4.8	-3.2	-7.4	-7.1	-14.2	-3.3	-3.1	...	...	-0.3	15.6
Nov	P	-2.7	1.9	-5.1	0.5	-0.0	0.2	-0.2	...	...	...	...	...	...	...	...

TOURISM
Trend obtained with TRAMO-SEATS



TRANSPORT
Trend obtained with TRAMO-SEATS



Sources: INE and Instituto de Estudios Turísticos, Estadística de Movimientos Turísticos en Frontera.

Note: The underlying series for this indicator are in Tables 23.14 and 23.15 of the BE Boletín estadístico.

a. Information from hotel directories. Since January 2006, the frequency of data collection has been increased to every day of the month. Because hotel directories are updated at different times, data for different years are not directly comparable. Chaining coefficients are available for the periods 2005, June 2009-May 2010 and July 2010-July 2011.

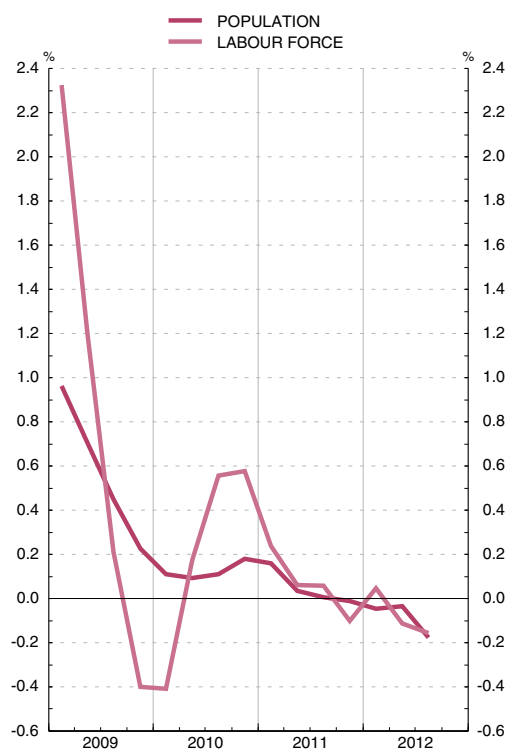
4.1. LABOUR FORCE. SPAIN

■ Series depicted in chart.

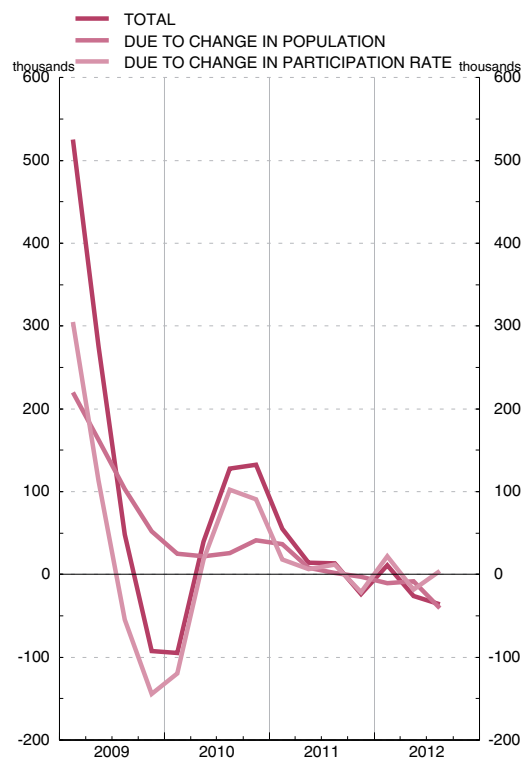
Thousands and annual percentage changes

Population over 16 years of age					Labour force					
		Thousands	Annual change	4-quarter % change	Participation rate (%) (a)	Thousands (a)	Annual change (b)			4-quarter % change
							Total	Due to change in population over 16 years of age	Due to change in participation rate	
		1	2	3	4	5	6	7	8	9
09	M	38 432	224	0.6	59.95	23 037	189	134	55	0.8
10	M	38 479	48	0.1	60.00	23 089	51	29	23	0.2
11	M	38 497	18	0.0	60.01	23 104	15	11	4	0.1
11	Q1-Q3M	38 494	26	0.1	60.04	23 111	82	46	36	0.1
12	Q1-Q3M	38 460	-33	-0.1	60.05	23 094	-51	-60	8	-0.1
10	Q1	38 451	42	0.1	59.83	23 007	-95	25	-120	-0.4
	Q2	38 468	36	0.1	60.11	23 122	40	22	18	0.2
	Q3	38 485	43	0.1	60.08	23 122	128	26	102	0.6
	Q4	38 512	69	0.2	59.99	23 105	132	42	91	0.6
11	Q1	38 512	61	0.2	59.88	23 062	55	37	18	0.2
	Q2	38 481	13	0.0	60.12	23 137	14	8	6	0.1
	Q3	38 488	2	0.0	60.11	23 135	13	1	12	0.1
	Q4	38 508	-4	-0.0	59.94	23 081	-24	-3	-21	-0.1
12	Q1	38 494	-18	-0.0	59.94	23 073	11	-11	22	0.0
	Q2	38 467	-14	-0.0	60.08	23 110	-26	-8	-18	-0.1
	Q3	38 420	-68	-0.2	60.12	23 098	-36	-41	4	-0.2

LABOUR FORCE SURVEY
Annual percentage change



LABOUR FORCE
Annual changes



Source: INE (Labour Force Survey: 2005 methodology).

a. the new definition of unemployment applies from 2001 Q1 onwards, entailing a break in the series. (See www.ine.es).

b. Col.7 = (col.5/col.1) x annual change in col.1. Col. 8 = (annual change in col.4/100) x col.1(t-4).

General note to the tables: As a result of the change in the population base (2001 Census), all the series in this table have been revised as from 1996. In addition, since 2005 Q1 the new obligatory variables referred to in Regulation (EC) 2257/2003 (on the adaptation of the list of labour force survey characteristics) have been included, a centralised procedure for telephone interviews has been set in place and the questionnaire has been modified. Thus, in 2005 Q1, there is a break in the series of some variables. For further information, see www.ine.es

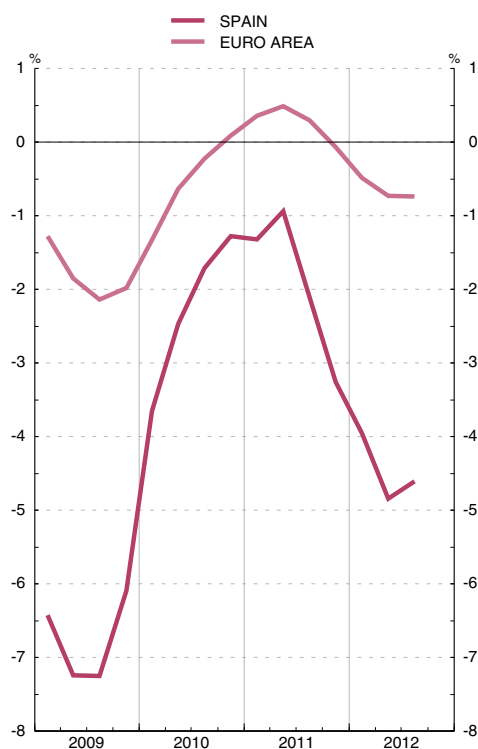
4.2. EMPLOYMENT AND WAGE-EARNERS. SPAIN AND EURO AREA

■ Series depicted in chart.

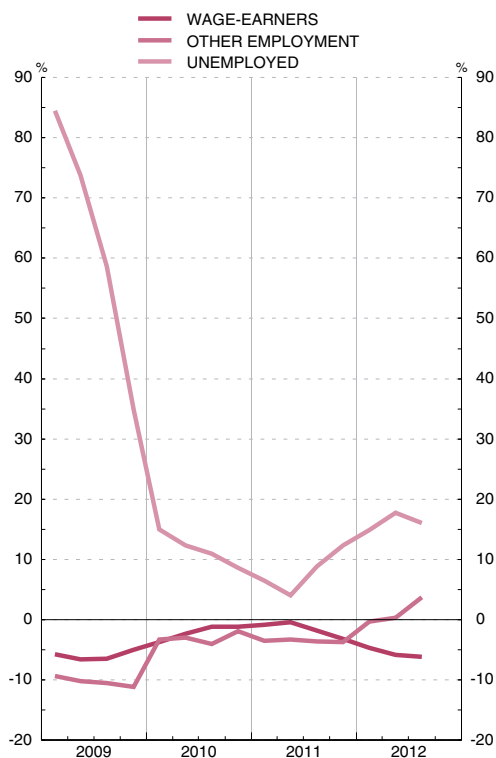
Thousands and annual percentage changes

		Employment									Unemployment			Memorandum item: euro area		
		Total			Wage-earners			Other								
		Thousands	Annual change	4-quarter % change	Thousands	Annual change	4-quarter % change	Thousands	Annual change	4-quarter % change	Thousands	Annual change	4-quarter % change	Unemployment rate	Employment 4-quarter % change	Unemployment rate
		1	2	3	4	5	6	7	8	9	(a)	11	12	(a)	14	15
09	M	18 888	-1 370	-6.8	15 681	-1 001	-6.0	3 207	-369	-10.3	4 150	1 559	60.2	18.01	-1.8	9.60
10	M	18 457	-431	-2.3	15 347	-334	-2.1	3 110	-98	-3.0	4 632	483	11.6	20.07	-0.5	10.13
11	M	18 105	-352	-1.9	15 105	-241	-1.6	2 999	-110	-3.6	4 999	367	7.9	21.64	0.3	10.16
11	Q1-Q3M	18 204	-269	-1.5	15 198	-160	-1.0	3 006	-109	-3.5	4 907	296	6.4	21.23	0.4	10.03
12	Q1-Q3M	17 390	-813	-4.5	14 347	-850	-5.6	3 043	37	1.2	5 704	796	16.2	24.70	-0.7	11.23
10	Q1	18 394	-697	-3.6	15 253	-590	-3.7	3 141	-107	-3.3	4 613	602	15.0	20.05	-1.3	10.13
	Q2	18 477	-468	-2.5	15 363	-373	-2.4	3 113	-95	-3.0	4 646	508	12.3	20.09	-0.6	10.17
	Q3	18 547	-323	-1.7	15 456	-194	-1.2	3 090	-130	-4.0	4 575	451	10.9	19.79	-0.2	10.13
	Q4	18 408	-238	-1.3	15 314	-178	-1.2	3 094	-59	-1.9	4 697	370	8.6	20.33	0.1	10.10
11	Q1	18 152	-243	-1.3	15 121	-133	-0.9	3 031	-110	-3.5	4 910	298	6.4	21.29	0.4	9.95
	Q2	18 303	-174	-0.9	15 292	-71	-0.5	3 011	-103	-3.3	4 834	188	4.1	20.89	0.5	9.92
	Q3	18 156	-391	-2.1	15 179	-277	-1.8	2 977	-114	-3.7	4 978	404	8.8	21.52	0.3	10.21
	Q4	17 808	-601	-3.3	14 829	-485	-3.2	2 978	-116	-3.7	5 274	577	12.3	22.85	-0.1	10.58
12	Q1	17 433	-719	-4.0	14 411	-710	-4.7	3 022	-9	-0.3	5 640	729	14.9	24.44	-0.5	10.90
	Q2	17 417	-886	-4.8	14 397	-895	-5.9	3 020	9	0.3	5 693	859	17.8	24.63	-0.7	11.28
	Q3	17 320	-836	-4.6	14 233	-946	-6.2	3 087	110	3.7	5 778	800	16.1	25.02	-0.7	11.50

EMPLOYMENT
Annual percentage changes



LABOUR FORCE: COMPONENTS
Annual percentage changes



Sources: INE (Labour Force Survey: 2005 methodology), and ECB.

a. the new definition of unemployment applies from 2001 Q1 onwards, entailing a break in the series. (See www.ine.es).

General note to the tables: As a result of the change in the population base (2001 Census), all the series in this table have been revised as from 1996. In addition, since 2005 Q1 the new obligatory variables referred to in Regulation (EC) 2257/2003 (on the adaptation of the list of labour force survey characteristics) have been included, a centralised procedure for telephone interviews has been set in place and the questionnaire has been modified. Thus, in 2005 Q1, there is a break in the series of some variables. For further information, see www.ine.es.

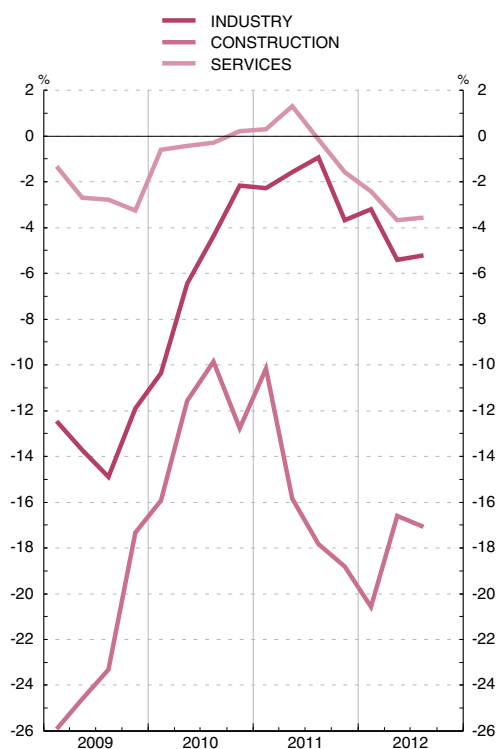
4.3. EMPLOYMENT BY BRANCH OF ACTIVITY. SPAIN (a)

■ Series depicted in chart.

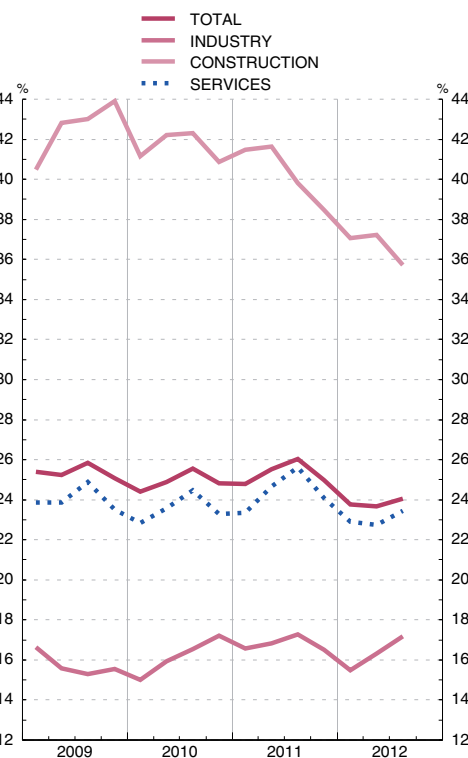
Annual percentage changes

		Total			Agriculture			Industry			Construction			Services			Memorandum item:
		Employment	Wage-earners	Proportion of temporary employment	Employment	Wage-earners	Proportion of temporary employment	Employment	Wage-earners	Proportion of temporary employment	Employment	Wage-earners	Proportion of temporary employment	Employment	Wage-earners	Proportion of temporary employment	Employment in branches other than agriculture
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
09	M	-6.8	-6.0	25.4	-4.0	-0.1	59.0	-13.3	-13.1	15.8	-23.0	-25.0	42.6	-2.5	-1.3	24.0	-6.9
10	M	-2.3	-2.1	24.9	0.9	5.4	59.1	-5.9	-5.2	16.2	-12.6	-14.9	41.6	-0.3	-0.1	23.5	-2.4
11	M	-1.9	-1.6	25.3	-4.1	-3.3	57.3	-2.1	-2.0	16.8	-15.6	-15.7	40.4	-0.0	0.1	24.4	-1.8
11	Q1-Q3M	-1.5	-1.0	25.4	-5.7	-5.5	56.5	-1.6	-1.1	16.9	-14.6	-14.4	41.0	0.5	0.6	24.5	-1.9
12	Q1-Q3M	-4.5	-5.6	23.8	-0.1	-1.1	58.1	-4.6	-5.9	16.3	-18.1	-23.2	36.7	-3.2	-4.0	23.0	-4.9
10	Q1	-3.6	-3.7	24.4	-0.3	2.4	62.7	-10.4	-10.9	15.0	-15.9	-17.2	41.1	-0.6	-0.5	22.8	-3.8
	Q2	-2.5	-2.4	24.9	-1.1	1.1	57.1	-6.4	-5.6	15.9	-11.6	-14.8	42.2	-0.4	-0.2	23.6	-2.5
	Q3	-1.7	-1.2	25.6	2.3	11.2	55.4	-4.4	-3.2	16.5	-9.8	-12.3	42.3	-0.3	0.2	24.5	-1.9
	Q4	-1.3	-1.2	24.8	2.8	7.7	61.3	-2.2	-0.7	17.2	-12.8	-15.1	40.9	0.2	0.1	23.3	-1.5
11	Q1	-1.3	-0.9	24.8	-6.2	-4.6	59.1	-2.3	-1.1	16.6	-10.2	-9.0	41.5	0.3	0.2	23.4	-1.1
	Q2	-0.9	-0.5	25.5	-4.8	-3.8	56.2	-1.6	-1.8	16.8	-15.9	-15.6	41.7	1.3	1.6	24.7	-0.8
	Q3	-2.1	-1.8	26.0	-6.1	-8.4	54.2	-0.9	-0.5	17.3	-17.8	-18.5	39.8	-0.2	0.0	25.6	-1.9
	Q4	-3.3	-3.2	25.0	0.5	3.2	59.8	-3.7	-4.5	16.5	-18.8	-20.0	38.5	-1.6	-1.4	24.1	-3.4
12	Q1	-4.0	-4.7	23.8	-0.9	-3.2	60.4	-3.2	-4.6	15.5	-20.6	-26.0	37.0	-2.4	-2.6	22.9	-4.1
	Q2	-4.8	-5.9	23.7	-1.2	-0.7	58.6	-5.4	-6.5	16.3	-16.6	-20.9	37.2	-3.7	-4.5	22.8	-5.0
	Q3	-4.6	-6.2	24.0	1.8	1.0	55.4	-5.2	-6.6	17.2	-17.1	-22.4	35.7	-3.6	-5.0	23.4	-4.9

EMPLOYMENT
Annual percentage changes



TEMPORARY EMPLOYMENT
Percentages



Source: INE (Labour Force Survey: 2005 methodology).

a. Series re-calculated drawing on the transition matrix to NACE 2009 published by INE. The underlying series of this indicator are in Tables 24.4 and 24.6 of the BE Boletín Estadístico.

General note to the tables: As a result of the change in the population base (2001 Census), all the series in this table have been revised as from 1996. In addition, since 2005 Q1 the new obligatory variables referred to in Regulation (EC) 2257/2003 (on the adaptation of the list of labour force survey characteristics) have been included, a centralised procedure for telephone interviews has been set in place and the questionnaire has been modified. Thus, in 2005 Q1, there is a break in the series of some variables. For further information, see www.ine.es.

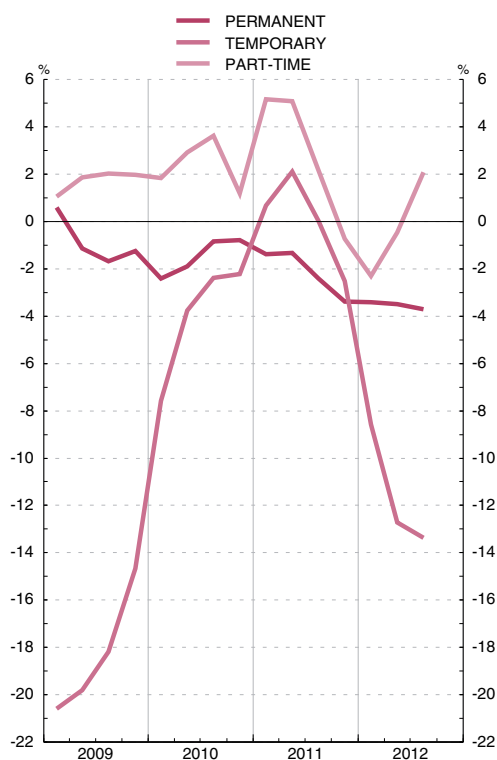
4.4. WAGE-EARNERS BY TYPE OF CONTRACT AND UNEMPLOYMENT BY DURATION. SPAIN. (a)

■ Series depicted in chart.

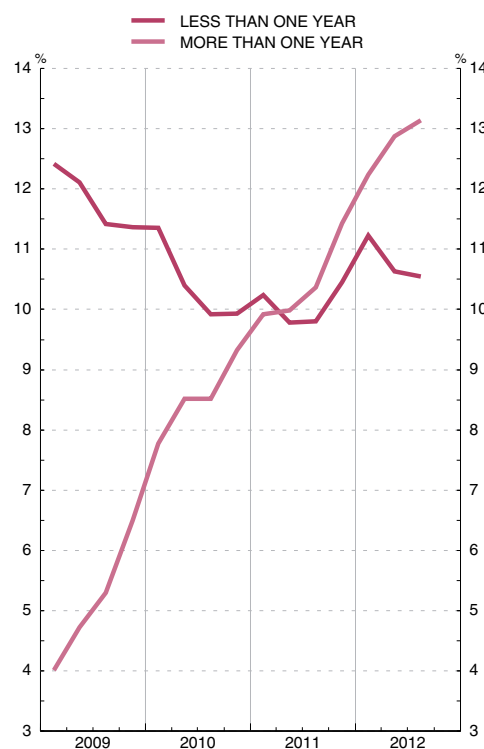
Thousands, annual percentage changes and %

		Wage-earners										Unemployment			
		By type of contract					By duration of working day					By duration			
		Permanent		Temporary			Full-time		Part-time			Less than one year		More than one year	
		Annual change	4-quar-ter % change	Annual change	4-quar-ter % change	Proportion of tempo-rary em-ployment	Annual change	4-quar-ter % change	Annual change	4-quar-ter % change	As % for wage earners	Unem-ployment rate	4-quar-ter % change	Unem-ployment rate	4-quar-ter % change
		Thousands		Thousands			Thousands		Thousands			(a)		(a)	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
09	M	-102	-0.9	-898	-18.4	25.40	-1 036	-7.1	36	1.7	13.34	11.83	53.8	5.13	114.0
10	M	-175	-1.5	-159	-4.0	24.91	-384	-2.8	50	2.4	13.95	10.40	-11.9	8.53	66.7
11	M	-244	-2.1	3	0.1	25.33	-304	-2.3	63	2.9	14.59	10.07	-3.1	10.42	22.2
11	Q1-Q3M	-196	-1.7	36	0.9	25.44	-322	-2.4	89	4.2	14.60	9.94	-5.7	10.09	22.2
12	Q1-Q3M	-402	-3.5	-449	-11.6	23.82	-990	-7.6	-6	-0.3	15.42	10.80	8.6	12.75	26.2
10	Q1	-285	-2.4	-305	-7.6	24.39	-628	-4.6	39	1.8	13.99	11.36	-8.9	7.77	93.0
	Q2	-224	-1.9	-149	-3.8	24.88	-436	-3.2	62	2.9	14.21	10.40	-14.0	8.51	80.6
	Q3	-98	-0.8	-96	-2.4	25.56	-266	-2.0	73	3.6	13.42	9.92	-12.7	8.52	61.9
	Q4	-93	-0.8	-86	-2.2	24.82	-204	-1.5	26	1.2	14.20	9.93	-12.2	9.33	44.3
11	Q1	-158	-1.4	26	0.7	24.77	-243	-1.8	110	5.2	14.84	10.24	-9.6	9.92	27.9
	Q2	-152	-1.3	81	2.1	25.52	-182	-1.4	111	5.1	15.01	9.79	-5.8	9.98	17.4
	Q3	-278	-2.4	1	0.0	26.02	-322	-2.4	45	2.2	13.96	9.80	-1.1	10.37	21.7
	Q4	-389	-3.4	-96	-2.5	24.98	-469	-3.6	-16	-0.7	14.56	10.45	5.2	11.43	22.4
12	Q1	-388	-3.4	-321	-8.6	23.76	-658	-5.1	-52	-2.3	15.21	11.22	9.6	12.23	23.4
	Q2	-399	-3.5	-496	-12.7	23.66	-885	-6.8	-10	-0.4	15.87	10.64	8.6	12.87	28.8
	Q3	-418	-3.7	-529	-13.4	24.04	-990	-7.6	44	2.1	15.20	10.55	7.5	13.14	26.5

WAGE-EARNERS
Annual percentage changes



UNEMPLOYMENT
Unemployment rate



Source: INE (Labour Force Survey: 2005 methodology).

a. The new definition of unemployment applies from 2001 Q1 onwards, entailing a break in the series. (See www.ine.es).

General note to the tables: As a result of the change in the population base (2001 Census), all the series in this table have been revised as from 1996. In addition, since 2005 Q1 the new obligatory variables referred to in Regulation (EC) 2257/2003 (on the adaptation of the list of labour force survey characteristics) have been included, a centralised procedure for telephone interviews has been set in place and the questionnaire has been modified. Thus, in 2005 Q1, there is a break in the series of some variables. For further information, see www.ine.es.

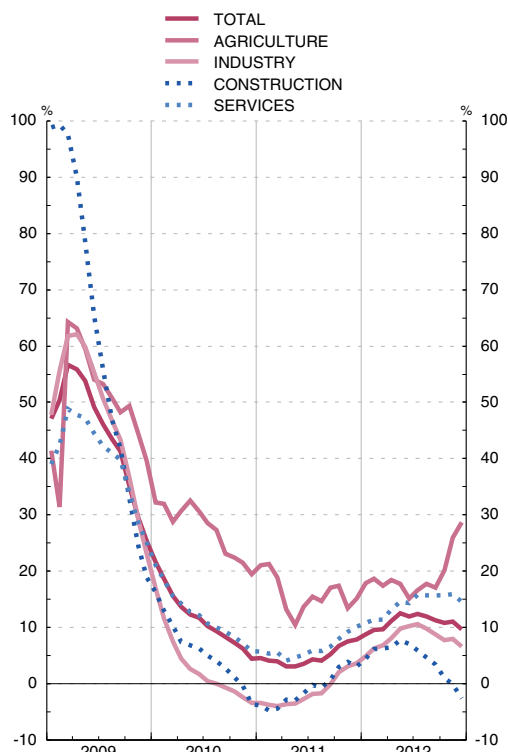
4.5. REGISTERED UNEMPLOYMENT BY BRANCH OF ACTIVITY. CONTRACTS AND PLACEMENTS. SPAIN

■ Series depicted in chart.

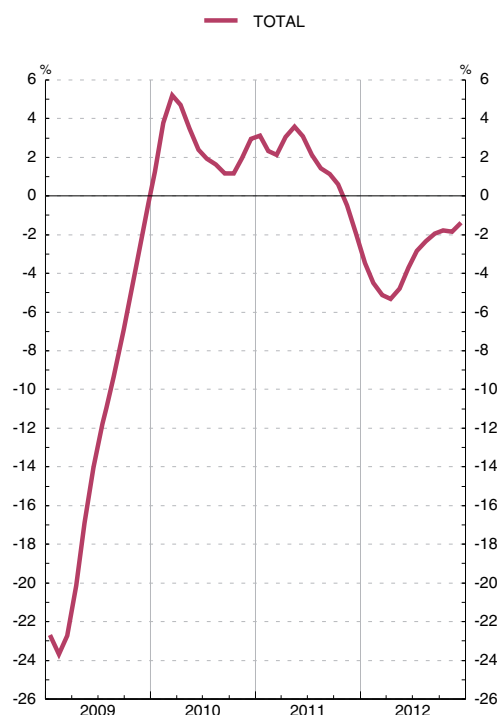
Thousands, annual percentage changes and %

		Registered unemployment										Contracts					Placements	
		Total			First time job-seekers(a)	Previously employed (a)						Total		Percentage of total			Total	
		Thou-sands	Annual change	12 month % change	12 month % change	12-month % change						Thou-sands	12 month % change	Permanent	Part time	Tempo-rary	Thou-sands	12 month % change
		1	2	3	4	Total	Agri-culture	Total	Industry	Construc-tion	Services	11	12	13	14	15	16	17
09	M	3 644	1 104	43.5	35.7	45.3	49.9	45.2	47.7	62.5	40.0	1 168	-15.5	9.41	27.97	90.59	1 165	-14.2
10	M	4 061	417	11.4	35.1	9.9	27.4	9.4	3.1	5.7	12.1	1 201	2.8	8.55	29.26	91.45	1 191	2.3
11	M	4 257	196	4.8	12.9	4.1	16.0	3.8	-1.3	-0.9	6.3	1 203	0.1	7.74	30.69	92.26	1 213	1.9
11	J-D	4 257	196	4.8	12.9	4.1	16.0	3.8	-1.3	-0.9	6.3	1 203	0.1	7.74	30.69	92.26	1 213	1.9
12	J-D	4 720	463	10.9	3.4	11.6	19.3	11.3	8.1	4.2	14.1	1 147	-4.6	7.88	33.83	92.12	1 169	-3.7
11	Nov	4 420	310	7.5	7.3	7.6	13.4	7.4	3.1	3.9	9.3	1 218	-3.2	6.89	31.05	93.11	1 206	-2.9
	Dec	4 422	322	7.9	6.1	8.0	15.1	7.8	3.6	3.0	10.1	1 165	-2.0	5.64	27.79	94.36	1 165	0.0
12	Jan	4 600	369	8.7	5.2	9.1	17.9	8.7	4.9	4.5	10.8	1 039	-6.9	7.31	29.38	92.69	1 054	-5.6
	Feb	4 712	413	9.6	5.5	10.0	18.7	9.7	6.2	6.2	11.4	959	-5.2	7.77	30.87	92.23	970	-3.4
	Mar	4 751	417	9.6	5.6	10.0	17.4	9.8	6.9	6.3	11.4	1 027	-11.1	9.59	32.41	90.41	1 036	-9.7
	Apr	4 744	475	11.1	8.0	11.4	18.4	11.2	8.1	6.5	13.2	1 003	-6.0	8.98	33.46	91.02	1 023	-5.6
	May	4 714	524	12.5	10.0	12.8	17.7	12.6	9.8	7.8	14.6	1 204	-6.6	7.97	32.79	92.03	1 221	-6.5
	Jun	4 615	493	12.0	7.3	12.4	15.1	12.3	10.2	7.1	14.3	1 284	-2.2	7.13	34.78	92.87	1 282	-1.7
	Jul	4 587	508	12.4	4.5	13.2	16.7	13.1	10.5	5.9	15.8	1 352	0.2	6.74	37.00	93.26	1 357	0.9
	Aug	4 626	495	12.0	2.3	12.9	17.8	12.7	9.8	4.7	15.7	1 022	-3.7	6.05	33.65	93.95	1 035	-3.7
	Sep	4 705	479	11.3	-0.9	12.5	17.0	12.4	8.7	3.4	15.7	1 241	-10.9	7.90	36.33	92.10	1 351	-8.3
	Oct	4 834	473	10.8	-2.1	12.1	20.1	11.8	7.8	1.0	15.7	1 427	10.2	9.15	38.08	90.85	1 469	10.2
	Nov	4 908	487	11.0	-2.3	12.3	26.0	11.8	8.0	-0.1	15.9	1 152	-5.4	8.70	34.81	91.30	1 153	-4.4
	Dec	4 849	426	9.6	-2.6	10.8	28.7	10.1	6.6	-2.6	14.6	1 059	-9.2	7.31	32.42	92.69	1 071	-8.1

REGISTERED UNEMPLOYMENT
Annual percentage changes



PLACEMENTS
Annual percentage changes (Trend obtained with TRAMO-SEATS)



Source: Instituto de Empleo Servicio Público de Empleo Estatal (INEM).

Note: The underlying series for this indicator are in Tables 24.16 and 24.17 of the BE Boletín estadístico.

a. To December 2008, NACE 1993; from January 2009, NACE 2009.

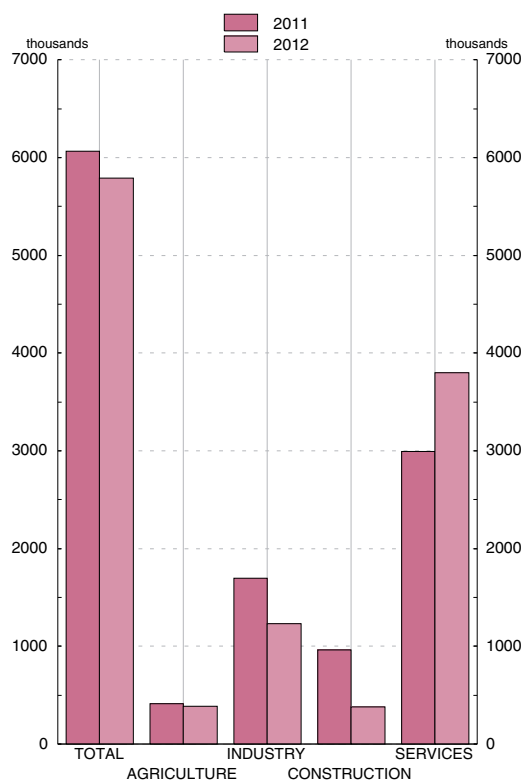
4.6. COLLECTIVE BARGAINING AGREEMENTS

■ Series depicted in chart.

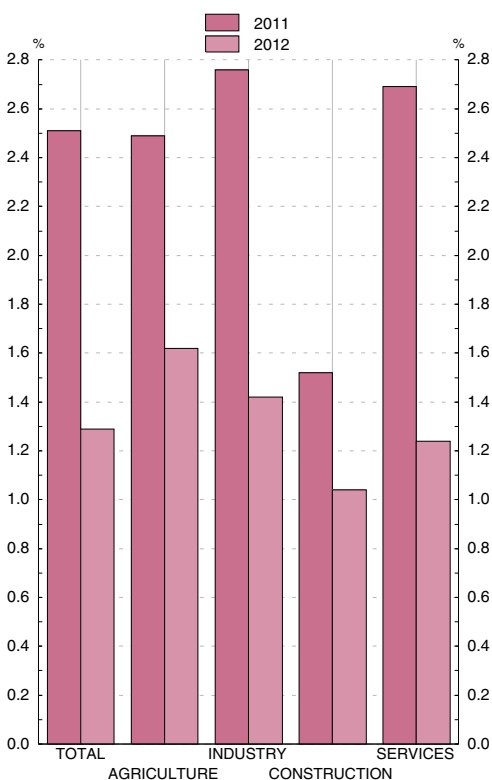
Thousands and %

	As per month economic effects come into force(a)		As per month recorded														
			Employees affected (a)								Average wage settlement (%)						
	Em- ployees affected	Average wage settle- ment (b)	Auto- matic adjust- ment	Newly- signed agree- ments	Total	Annual change	Agricul- ture	Indus- try	Construc- tion	Services	Auto- matic adjust- ment	Newly signed agree- ments	Total	Agricul- ture	Indus- try	Construc- tion	Services
	1	2	3	4	5	6	7 (c)	8 (c)	9 (c)	10 (c)	11	12	13	14 (c)	15 (c)	16 (c)	17 (c)
09	11 558	2.24	7 611	1 064	8 676	-126	483	2 063	1 158	4 971	2.62	2.35	2.59	2.39	2.48	3.57	2.43
10	10 794	2.16	6 071	1 023	7 093	-1 583	557	1 699	1 084	3 753	1.32	1.20	1.30	1.35	1.08	1.49	1.34
11	9 694	2.44	5 110	1 157	6 267	-826	415	1 752	1 026	3 075	2.68	1.58	2.48	2.49	2.71	1.52	2.67
11 Jun	9 427	2.47	4 355	365	4 719	1 116	345	1 270	854	2 251	2.82	1.41	2.71	2.55	3.08	1.52	2.97
Jul	9 548	2.46	4 495	509	5 004	1 232	351	1 306	918	2 429	2.77	1.59	2.65	2.53	3.04	1.52	2.89
Aug	9 549	2.46	4 506	518	5 024	968	351	1 309	919	2 445	2.77	1.60	2.65	2.53	3.04	1.52	2.88
Sep	9 644	2.45	4 513	609	5 122	-7	352	1 374	919	2 476	2.77	1.64	2.63	2.54	2.99	1.52	2.87
Oct	9 688	2.44	4 777	731	5 508	-694	372	1 404	932	2 800	2.73	1.73	2.60	2.51	2.99	1.52	2.78
Nov	9 690	2.44	4 972	1 092	6 064	-900	412	1 693	964	2 994	2.71	1.61	2.51	2.49	2.76	1.52	2.69
Dec	9 694	2.44	5 110	1 157	6 267	-826	415	1 752	1 026	3 075	2.68	1.58	2.48	2.49	2.71	1.52	2.67
12 Jan	5 362	1.32	1 225	15	1 240	-133	162	587	2	490	2.45	1.71	2.44	2.45	2.54	2.50	2.32
Feb	5 393	1.33	1 641	29	1 671	-559	164	648	2	856	2.33	1.13	2.31	2.47	2.49	2.50	2.14
Mar	5 395	1.33	2 063	41	2 105	-676	164	678	2	1 260	2.18	1.05	2.16	2.47	2.46	2.59	1.95
Apr	5 652	1.30	2 182	48	2 231	-794	164	699	2	1 365	2.16	1.15	2.14	2.47	2.44	2.59	1.94
May	5 656	1.30	2 356	349	2 705	-1 301	242	724	2	1 737	1.92	0.83	1.78	2.15	1.99	2.54	1.63
Jun	5 674	1.30	2 525	386	2 911	-1 808	243	747	21	1 900	1.86	0.85	1.73	2.15	1.96	1.20	1.58
Jul	5 684	1.30	2 842	415	3 257	-1 747	243	784	83	2 147	1.66	0.85	1.56	2.15	1.73	1.05	1.44
Aug	5 684	1.30	2 970	646	3 615	-1 408	244	881	234	2 256	1.60	0.87	1.47	2.15	1.57	1.02	1.40
Sep	5 749	1.29	3 212	1 231	4 443	-679	273	1 062	270	2 838	1.53	0.70	1.30	2.09	1.44	1.04	1.19
Oct	5 793	1.28	3 273	1 560	4 834	-674	295	1 100	343	3 096	1.50	0.69	1.24	1.94	1.42	1.03	1.13
Nov	5 793	1.28	4 175	1 618	5 794	-270	384	1 232	381	3 797	1.52	0.69	1.29	1.62	1.42	1.04	1.24

EMPLOYEES AFFECTED
January-november



AVERAGE WAGE SETTLEMENT
January-november



Source: Ministerio de Empleo y Seguridad Social, Estadística de Convenios Colectivos de Trabajo. Avance mensual.

a. Cumulative data.

b. Includes revisions arising from indexation clauses, except in 2012.

c. To December 2008, NACE 1993; from January 2009, NACE 2009.

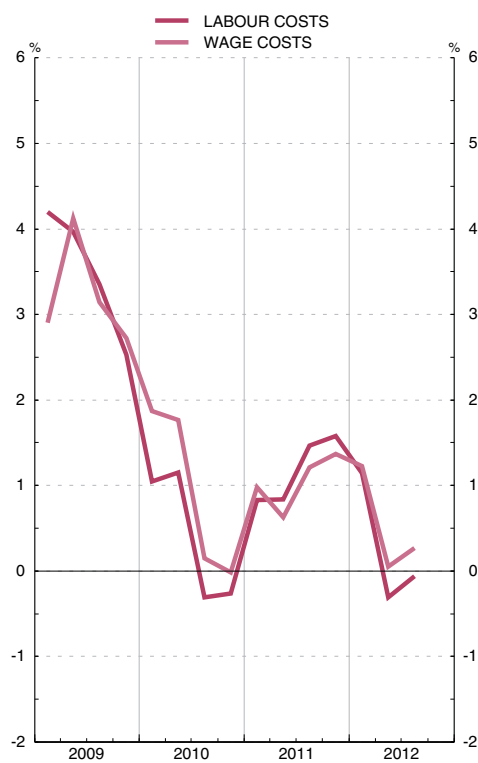
4.7. QUARTERLY LABOUR COSTS SURVEY

■ Series depicted in chart.

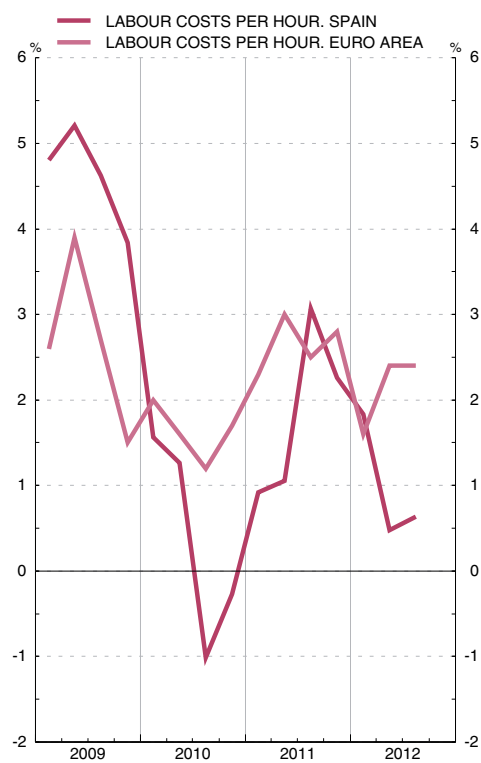
Annual percentage change

		Labour costs					Wage costs					Other costs per worker and month	memorandum item: total hourly costs (a)	
		Per worker and per month				Per hour worked	Per worker and per month				Per hour worked			
		Total	Industry	Construc- tion	Services		Total	Industry	Construc- tion	Services			Spain (b)	Euro area (c)
		1	2	3	4	5	6	7	8	9	10	11	12	13
09	M	3.5	3.1	5.4	3.5	5.6	3.2	2.1	5.2	3.2	5.3	4.3	4.6	2.7
10	M	0.4	2.3	0.1	0.2	0.6	0.9	2.9	0.8	0.5	1.1	-1.1	0.3	1.6
11	M	1.2	1.7	2.8	1.0	2.2	1.0	2.8	2.5	0.5	2.1	1.6	1.9	2.7
11	Q1-Q3M	1.0	1.7	2.6	0.8	2.1	0.9	3.0	2.5	0.3	2.0	1.3	1.7	2.6
12	Q1-Q3M	0.3	2.3	2.0	-0.2	0.7	0.5	1.7	1.6	0.2	0.9	-0.5	1.0	2.1
10	Q1	1.0	2.1	0.7	1.0	2.1	1.9	2.8	1.9	1.6	2.9	-1.1	1.6	2.0
	Q2	1.2	2.5	0.4	1.1	0.8	1.8	3.0	1.4	1.6	1.4	-0.6	1.3	1.6
	Q3	-0.3	2.1	-0.9	-0.6	-1.4	0.1	2.9	-0.9	-0.4	-0.9	-1.5	-1.0	1.2
	Q4	-0.3	2.3	0.2	-0.8	1.1	-	2.8	0.6	-0.7	1.3	-1.0	-0.3	1.7
11	Q1	0.8	1.3	2.8	0.6	-	1.0	3.0	2.3	0.3	0.2	0.4	0.9	2.3
	Q2	0.8	1.6	3.0	0.6	1.5	0.6	3.1	3.2	-0.2	1.3	1.5	1.1	3.0
	Q3	1.5	2.2	1.8	1.4	4.8	1.2	2.8	1.9	0.8	4.5	2.2	3.1	2.5
	Q4	1.6	1.8	3.3	1.5	2.5	1.4	2.3	2.4	1.1	2.2	2.2	2.3	2.8
12	Q1	1.1	2.6	2.3	0.8	1.4	1.2	1.9	1.3	1.0	1.5	0.9	1.8	1.6
	Q2	-0.3	2.6	2.6	-1.0	0.7	-	2.1	2.2	-0.5	1.0	-1.4	0.5	2.4
	Q3	-0.1	1.8	1.0	-0.4	-	0.3	1.0	1.2	0.0	0.3	-0.9	0.6	2.4

PER WORKER AND MONTH
Annual percentage change



PER HOUR WORKED
Annual percentage change



Sources: INE (Quarterly Labour Costs Survey and Harmonised Labour Costs Index) and Eurostat.

Note: The underlying series for this indicator are in Tables 24.25, 24.26 and 24.27 of de BE Boletín estadístico.

a. Working day adjusted.

b. Harmonised Labour Costs Index.

c. Whole economy, excluding agriculture, public administration, education, health and services not classified elsewhere.

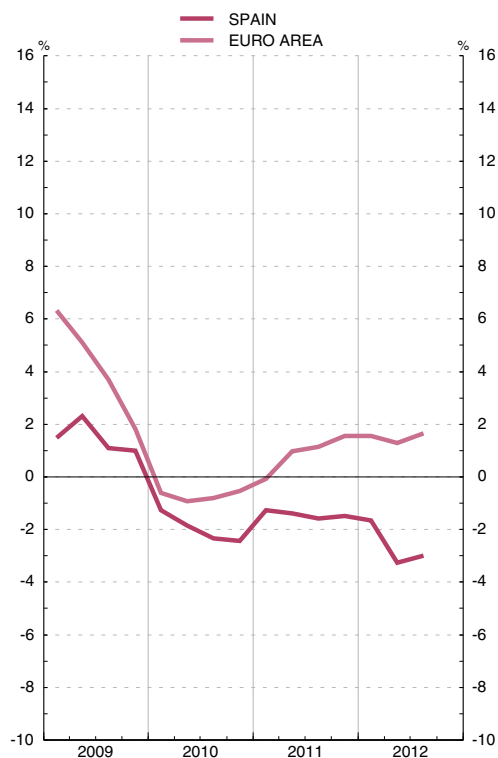
4.8. UNIT LABOUR COSTS. SPAIN AND EURO AREA (a)

■ Series depicted in chart.

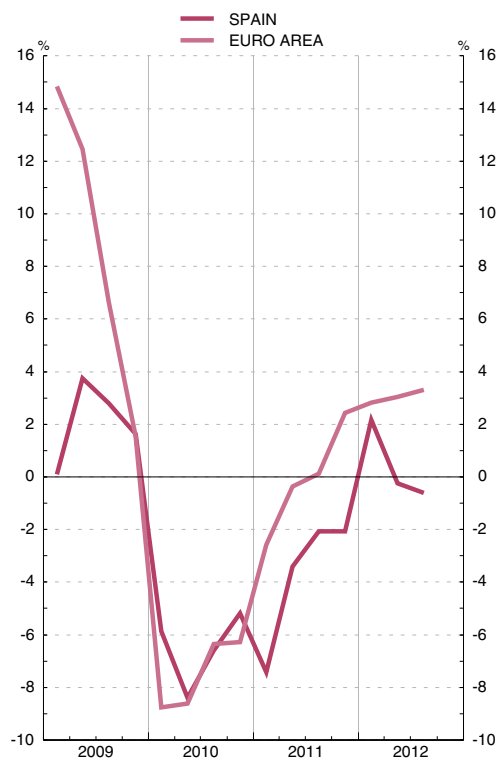
Annual percentage changes

		Unit labour costs				Whole-economy				Memorandum items			
		Whole-economy		Industry		Compensation per employee		Productivity		GDP (volume measures)		Employment Whole-economy	
		Spain	Euro area	Spain	Euro area	Spain (b)	Euro area	Spain	Euro area	Spain	Euro area	Spain (b)	Euro area
		1	2	3	4	5	6	7	8	9	10	11	12
09	P	1.5	4.2	2.1	8.9	4.2	1.5	2.7	-2.6	-3.7	-4.3	-6.3	-1.8
10	P	-2.0	-0.7	-6.5	-7.5	0.3	1.8	2.3	2.5	-0.3	2.0	-2.5	-0.5
11	P	-1.4	0.9	-3.8	-0.1	0.7	2.1	2.2	1.2	0.4	1.5	-1.7	0.3
09 Q4	P	1.0	1.8	1.6	1.5	3.7	1.5	2.6	-0.3	-3.1	-2.3	-5.6	-2.0
10 Q1	P	-1.3	-0.6	-5.9	-8.8	1.4	1.7	2.7	2.3	-1.5	1.0	-4.1	-1.3
Q2	P	-1.9	-0.9	-8.4	-8.6	0.8	2.0	2.7	2.9	-0.2	2.3	-2.8	-0.6
Q3	P	-2.3	-0.8	-6.6	-6.4	-0.4	1.7	2.0	2.5	0.0	2.3	-1.9	-0.2
Q4	P	-2.4	-0.5	-5.2	-6.3	-0.7	1.6	1.7	2.2	0.4	2.3	-1.4	0.1
11 Q1	P	-1.3	-0.1	-7.4	-2.6	0.6	2.0	1.9	2.1	0.5	2.4	-1.4	0.4
Q2	P	-1.4	1.0	-3.4	-0.4	0.1	2.1	1.5	1.1	0.5	1.6	-0.9	0.5
Q3	P	-1.6	1.1	-2.1	0.1	0.7	2.2	2.3	1.0	0.6	1.3	-1.6	0.3
Q4	P	-1.5	1.6	-2.1	2.4	1.4	2.2	2.9	0.7	-0.0	0.6	-2.9	-0.1
12 Q1	P	-1.7	1.5	2.2	2.8	1.4	2.0	3.1	0.4	-0.7	-0.1	-3.7	-0.5
Q2	P	-3.3	1.3	-0.2	3.0	0.1	1.6	3.5	0.3	-1.4	-0.5	-4.7	-0.7
Q3	P	-3.0	1.7	-0.6	3.3	0.0	1.8	3.1	0.1	-1.6	-0.6	-4.6	-0.7

UNIT LABOUR COSTS: TOTAL
Annual percentage changes



UNIT LABOUR COSTS: INDUSTRY
Annual percentage changes



Sources: INE (Quarterly National Accounts of Spain. Base year 2008) and ECB.

a. Spain: prepared in accordance with ESA95. SEASONALLY- AND WORKING-DAY-ADJUSTED SERIES (see economic bulletin April 2002).

b. Full-time equivalent employment.

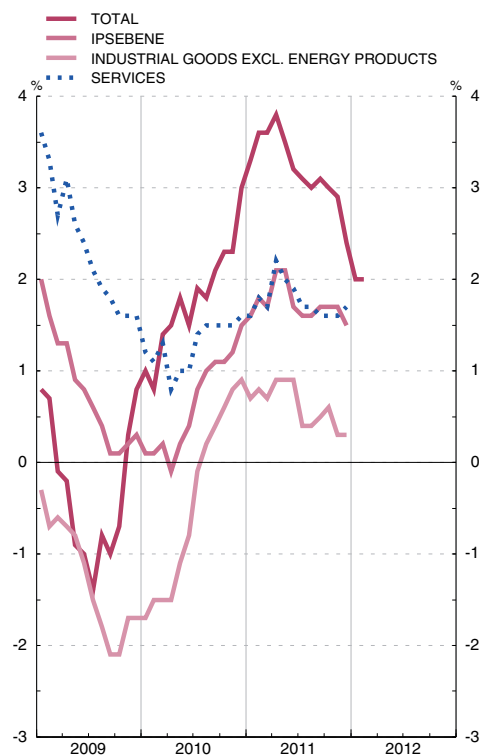
5.1. CONSUMER PRICE INDEX. SPAIN (2011=100)

■ Series depicted in chart.

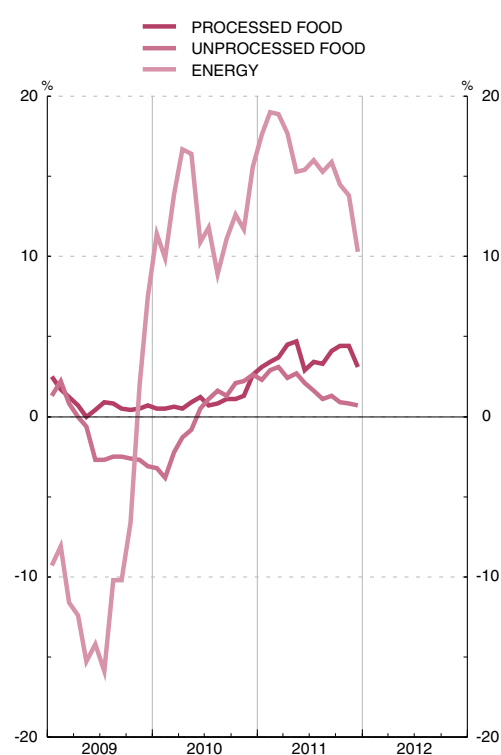
Indices and annual percentage changes

Total (100%)					Annual percentage change (12-month % change)						Memorandum item: prices for agricultural products (2005=100)	
	Original series	Month-on-month % change	12-month % change (a)	Cumulative % change during year (b)	Unprocessed food	Processed food	Industrial goods excl. energy products	Energy	Services	IPSEBENE (c)	Original series	12-month % change
	1	2	3	4	5	6	7	8	9	10	11	12
09 M	95.2	—	-0.3	0.8	-1.3	0.9	-1.3	-8.7	2.4	0.8	94.9	-11.3
10 M	96.9	—	1.8	3.0	0.0	1.0	-0.4	12.6	1.3	0.6	100.8	6.2
11 M	100.0	—	3.2	2.4	1.8	3.8	0.6	15.8	1.8	1.7	101.5	0.7
11 J-N	M	99.9	0.2	3.3	0.8	1.9	3.8	0.6	16.3	1.8	101.9	1.0
12 J-N	M	102.3	0.3	2.4	0.9	2.1	3.0	0.8	9.0	1.5	...	...
11 Aug	99.8	0.1	3.0	0.8	1.1	3.3	0.4	15.3	1.7	1.6	92.2	4.2
Sep	100.1	0.2	3.1	1.0	1.3	4.1	0.5	15.9	1.6	1.7	102.7	5.2
Oct	100.9	0.8	3.0	1.8	0.9	4.4	0.6	14.5	1.6	1.7	103.5	2.6
Nov	101.3	0.4	2.9	2.2	0.8	4.4	0.3	13.8	1.6	1.7	101.6	-0.2
Dec	101.4	0.1	2.4	2.4	0.7	3.1	0.3	10.3	1.7	1.5	100.3	-2.7
12 Jan	100.3	-1.1	2.0	-1.1	1.0	2.8	0.2	8.0	1.4	1.3	99.0	0.0
Feb	100.4	0.1	2.0	-1.0	1.8	2.8	0.1	7.9	1.3	1.2	106.7	1.4
Mar	101.1	0.7	1.9	-0.3	1.4	2.7	0.3	7.5	1.2	1.2	110.9	5.1
Apr	102.5	1.4	2.1	1.1	2.1	2.9	0.1	8.9	1.1	1.1	108.5	2.7
May	102.3	-0.1	1.9	0.9	1.1	3.0	0.2	8.3	1.1	1.1	109.0	2.4
Jun	102.1	-0.2	1.9	0.7	2.5	3.8	0.1	6.2	1.2	1.3	110.1	1.3
Jul	101.9	-0.2	2.2	0.5	2.0	3.2	1.0	7.8	1.0	1.4	100.1	9.4
Aug	102.5	0.6	2.7	1.1	2.7	3.2	0.7	11.9	1.1	1.4	105.8	14.7
Sep	103.5	1.0	3.4	2.1	2.8	2.9	2.0	13.4	1.8	2.1	...	...
Oct	104.4	0.8	3.5	2.9	2.7	3.0	2.0	11.2	2.6	2.5	...	...
Nov	104.2	-0.1	2.9	2.8	3.3	3.1	1.7	7.5	2.3	2.3	...	...

CONSUMER PRICE INDEX. TOTAL AND COMPONENTS
Annual percentage changes



CONSUMER PRICE INDEX. COMPONENTS
Annual percentage changes



Sources: INE, Ministerio de Agricultura, Alimentación y Medio Ambiente.

Note: The underlying series for this indicator are in Tables 25.2 and 25.8 of the BE Boletín estadístico.

a. For annual periods: average growth for each year on the previous year.

b. For annual periods: December-on-December growth rate.

c. Index of non-energy processed goods and service prices.

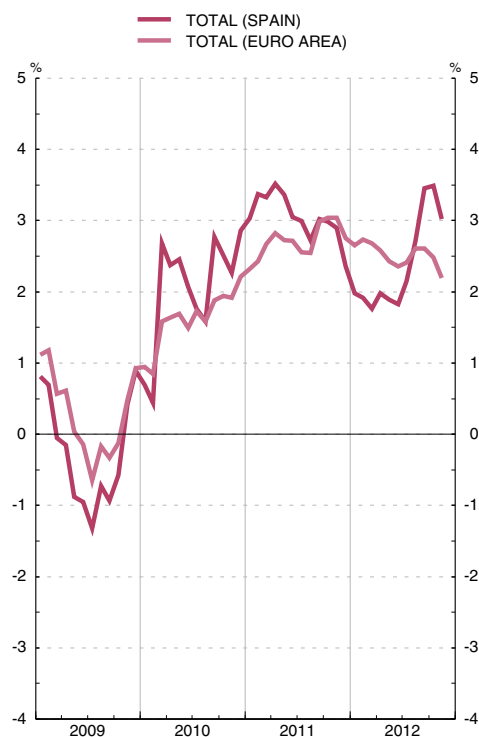
5.2. HARMONISED INDEX OF CONSUMER PRICES. SPAIN AND EURO AREA (2005=100) (a)

■ Series depicted in chart.

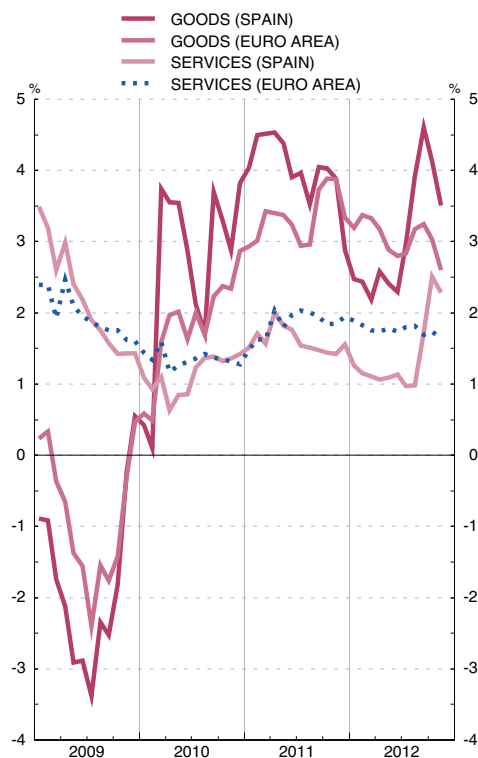
Annual percentage changes

		Total		Goods														Services		
		Spain	Euro area	Spain	Euro area	Food						Industrial						Spain	Euro area	
						Total		Processed		Unprocessed		Spain	Euro area	Non-energy		Energy				
						Spain	Euro area	Spain	Euro area	Spain	Euro area			Spain	Euro area	Spain	Euro area			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
09	M	-0.2	0.3	-1.8	-0.9	0.2	0.7	1.0	1.1	-0.7	0.2	-2.9	-1.7	-0.9	0.6	-9.0	-8.1	2.2	2.0	
10	M	2.0	1.6	2.7	1.8	1.1	1.1	1.4	0.9	0.7	1.3	3.5	2.2	0.3	0.5	12.5	7.4	1.1	1.4	
11	M	3.1	2.7	4.0	3.3	2.8	2.7	4.2	3.3	1.3	1.8	4.7	3.7	0.5	0.8	15.7	11.9	1.6	1.8	
11	J-N	M	3.1	2.7	4.1	3.3	2.9	2.7	4.3	3.2	1.3	1.8	4.8	3.7	0.5	0.7	16.2	12.1	1.6	1.8
12	J-N	MP	2.4	2.5	3.0	3.1	2.5	3.1	3.5	3.2	1.5	2.9	3.3	3.1	0.9	1.2	9.0	7.9	1.4	1.8
11	Aug		2.7	2.5	3.5	3.0	2.1	2.7	3.6	3.6	0.5	1.1	4.3	3.1	0.1	-	15.3	11.8	1.5	2.0
	Sep		3.0	3.0	4.0	3.7	3.3	3.0	4.6	4.0	1.8	1.4	4.5	4.1	0.2	1.2	15.9	12.4	1.5	1.9
	Oct		3.0	3.0	4.0	3.9	3.3	3.3	5.0	4.3	1.5	1.8	4.4	4.2	0.6	1.3	14.5	12.4	1.4	1.8
	Nov		2.9	3.0	3.9	3.9	3.3	3.4	5.1	4.3	1.5	1.9	4.2	4.1	0.5	1.3	13.7	12.3	1.4	1.9
	Dec		2.4	2.7	2.9	3.3	2.3	3.1	3.4	4.1	1.0	1.6	3.2	3.4	0.5	1.2	10.3	9.7	1.6	1.9
12	Jan		2.0	2.7	2.5	3.2	2.2	3.1	2.9	4.1	1.4	1.6	2.6	3.2	0.3	0.9	7.9	9.2	1.3	1.9
	Feb		1.9	2.7	2.4	3.4	2.1	3.3	2.9	4.1	1.3	2.2	2.6	3.4	0.2	1.0	7.8	9.5	1.1	1.8
	Mar		1.8	2.7	2.2	3.3	1.8	3.3	2.9	3.9	0.6	2.2	2.4	3.4	0.3	1.4	7.5	8.5	1.1	1.8
	Apr		2.0	2.6	2.6	3.2	2.2	3.1	3.3	3.7	0.9	2.1	2.8	3.2	0.2	1.3	8.9	8.1	1.1	1.7
	May		1.9	2.4	2.4	2.9	1.9	2.8	3.5	3.4	0.2	1.8	2.7	3.0	0.4	1.3	8.2	7.3	1.1	1.8
	Jun		1.8	2.4	2.3	2.8	2.9	3.2	4.7	3.2	0.9	3.1	2.0	2.6	0.2	1.3	6.2	6.1	1.1	1.7
	Jul		2.2	2.4	3.0	2.8	2.3	2.9	4.0	2.9	0.5	2.9	3.3	2.8	1.3	1.5	7.8	6.1	1.0	1.8
	Aug		2.7	2.6	3.9	3.2	3.1	3.0	3.9	2.7	2.3	3.5	4.3	3.3	1.0	1.1	11.9	8.9	1.0	1.8
	Sep		3.5	2.6	4.6	3.2	3.1	2.9	3.2	2.5	3.0	3.7	5.4	3.4	2.0	1.2	13.3	9.1	1.7	1.7
	Oct		3.5	2.5	4.1	3.0	2.9	3.1	3.3	2.4	2.5	4.3	4.8	3.0	2.1	1.1	11.2	8.0	2.5	1.7
	Nov	P	3.0	2.2	3.5	2.6	3.0	3.0	3.4	2.4	2.6	4.1	3.8	2.4	2.2	1.1	7.5	5.7	2.3	1.6

HARMONISED INDEX OF CONSUMER PRICES. TOTAL
Annual percentage changes



HARMONISED INDEX OF CONSUMER PRICES. COMPONENTS
Annual percentage changes



Source: Eurostat.

a. Since January 2011 the rules of Commission Regulation (EC) No 330/2009 on the treatment of seasonal products have been incorporated. This has prompted a break in the series. The series constructed with the new methodology are only available from January 2010. The year-on-year rates of change presented here for 2010 are those disseminated by Eurostat, which were constructed using the series prepared with the new methodology for 2010 and using the series prepared with the old methodology for 2009. Thus, these rates give a distorted view since they compare price indices prepared using two different methodologies. The year-on-year rates of change in the HICP in 2010, calculated on a uniform basis using solely the previous methodology and which are consequently consistent, are as follows: Jan:1.1; Feb:0.9; Mar:1.5; Apr:1.6; May:1.8; Jun:1.5; Jul:1.9; Aug:1.8; Sep:2.3; Oct:2.3; Nov:2.2; Dec:2.9. More detailed methodological notes can be consulted on the Eurostat Internet site (www.europa.eu.int).

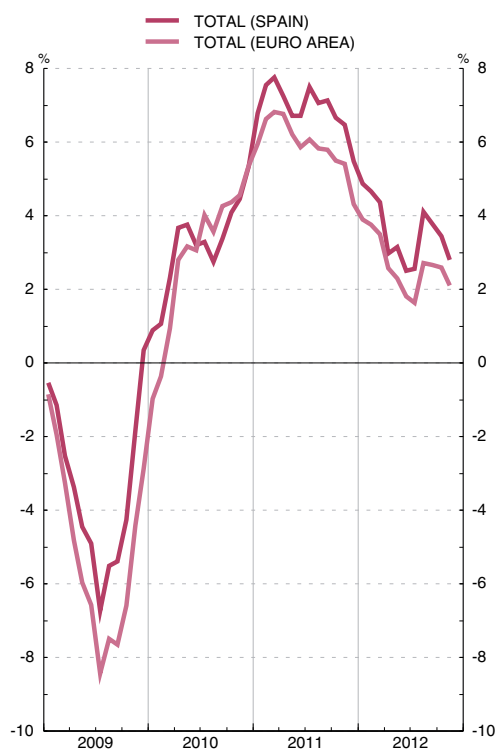
5.3. PRODUCER PRICE INDEX. SPAIN AND EURO AREA (2005 = 100)

■ Series depicted in chart.

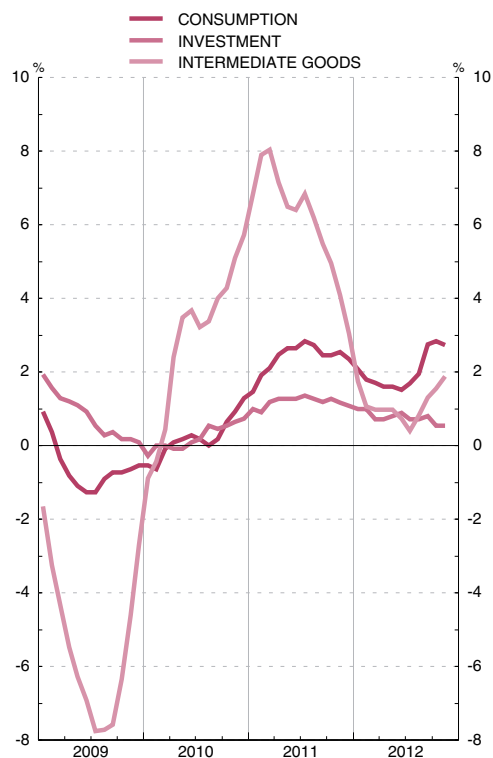
Annual percentage changes

		Total			Consumer goods		Capital goods		Intermediate goods		Energy		Memorandum item: euro area				
		Original series	Month-on-month % change	12-month % change	Month-on-month % change	12-month % change	Month-on-month % change	12-month % change	Month-on-month % change	12-month % change	Month-on-month % change	12-month % change	Total	Consumer goods	Capital goods	Intermediate goods	Energy
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
09	MP	112.4	—	-3.4	—	-0.6	—	0.8	—	-5.4	—	-6.8	-5.1	-2.1	0.5	-5.2	-11.5
10	MP	115.9	—	3.2	—	0.2	—	0.2	—	2.9	—	9.8	2.9	0.4	0.3	3.5	6.5
11	MP	124.0	—	6.9	—	2.4	—	1.2	—	6.1	—	17.2	5.9	3.1	1.4	5.9	11.9
11 J-N	MP	123.9	—	7.1	—	2.4	—	1.2	—	6.4	—	17.4	6.1	3.1	1.4	6.2	12.1
12 J-N	MP	128.3	—	3.6	—	2.0	—	0.8	—	1.1	—	10.0	2.7	2.3	1.1	0.8	6.9
11 Aug	P	124.3	-0.3	7.1	0.2	2.7	0.1	1.3	-	6.2	-1.5	17.2	5.8	3.3	1.5	5.7	11.4
Sep	P	124.6	0.2	7.1	-	2.5	-	1.2	-0.2	5.5	1.1	18.8	5.8	3.4	1.5	5.0	12.2
Oct	P	124.8	0.2	6.7	0.1	2.4	0.1	1.3	-0.3	5.0	1.0	17.9	5.5	3.4	1.6	4.1	12.4
Nov	P	125.0	0.2	6.5	0.1	2.5	-	1.2	-0.4	4.1	0.8	17.7	5.4	3.4	1.4	3.5	12.4
Dec	P	125.0	-	5.5	0.1	2.4	-0.1	1.1	-0.3	3.0	0.5	15.2	4.3	3.1	1.4	2.7	9.5
12 Jan	P	127.2	1.8	4.9	0.2	2.1	0.4	1.0	0.4	1.7	5.9	14.3	3.9	3.0	1.3	1.6	9.7
Feb	P	128.1	0.7	4.7	0.2	1.8	0.1	1.0	0.6	1.1	1.6	14.5	3.8	2.9	1.2	1.1	9.9
Mar	P	128.9	0.6	4.4	0.2	1.7	-0.1	0.7	0.5	1.0	1.5	13.7	3.5	2.8	1.2	0.9	9.0
Apr	P	127.9	-0.8	3.0	0.3	1.6	0.1	0.7	0.5	1.0	-3.6	8.4	2.6	2.3	1.2	0.6	6.6
May	P	127.7	-0.2	3.2	0.1	1.6	0.1	0.8	0.2	1.0	-0.7	9.0	2.3	1.9	1.2	0.5	6.2
Jun	P	127.0	-0.5	2.5	-	1.5	0.2	0.9	-0.3	0.7	-2.0	6.7	1.8	1.9	1.1	0.1	4.7
Jul	P	127.9	0.7	2.6	0.4	1.7	-0.1	0.7	-0.2	0.4	2.8	7.4	1.6	1.9	1.0	-0.2	4.5
Aug	P	129.4	1.2	4.1	0.4	1.9	0.1	0.7	0.4	0.8	3.3	12.7	2.7	2.1	0.9	0.3	8.1
Sep	P	129.3	-0.1	3.8	0.8	2.7	0.1	0.8	0.3	1.3	-1.4	9.8	2.7	2.2	0.9	0.8	7.0
Oct	P	129.1	-0.2	3.4	0.2	2.8	-0.2	0.5	-0.1	1.5	-0.7	7.9	2.6	2.3	0.9	1.2	5.9
Nov	P	128.5	-0.5	2.8	-	2.7	-	0.5	-0.1	1.9	-1.4	5.6	2.1	2.2	1.0	1.4	4.1

PRODUCER PRICE INDEX. TOTAL
Annual percentage changes



PRODUCER PRICE INDEX. COMPONENTS
Annual percentage changes



Sources: INE and ECB.

Note: The underlying series for this indicator, for Spain, are in Table 25.3 of the BE Boletín estadístico.

a. For annual periods: average growth for each year on the previous year.

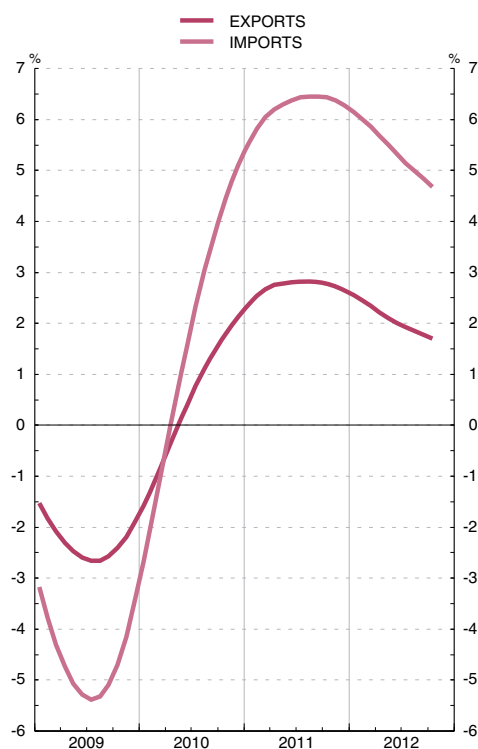
5.4. UNIT VALUE INDICES FOR SPANISH FOREIGN TRADE

■ Series depicted in chart.

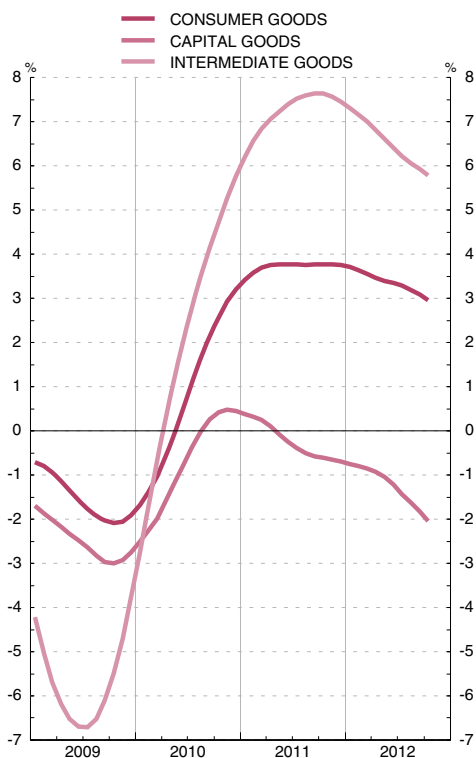
Annual percentage changes

	Exports/dispatches						Imports/arrivals						
	Total	Consumer goods	Capital goods	Intermediate goods			Total	Consumer goods	Capital goods	Intermediate goods			
				Total	Energy	Non-energy				Total	Energy	Non-energy	
	1	2	3	4	5	6	7	8	9	10	11	12	
10	1.6	3.1	-5.2	1.8	16.8		0.9	4.7	1.7	2.4	6.2	25.8	0.5
11	4.9	3.9	1.5	6.0	30.2		3.5	8.5	5.5	-0.8	10.6	25.6	5.2
12	1.8	5.1	7.2	-0.5	3.2		-1.0	5.4	4.3	-0.3	6.3	11.5	2.4
11 J-O	5.0	4.4	1.1	6.0	30.3		3.7	8.6	5.4	-0.9	10.6	25.8	5.3
12 J-O	1.8	5.1	7.2	-0.5	3.2		-1.0	5.4	4.3	-0.3	6.3	11.5	2.4
11 May	0.7	4.6	4.0	-2.8	27.6		-5.0	3.9	4.7	-5.1	4.3	19.0	0.6
Jun	4.2	0.8	2.9	6.3	27.5		4.3	7.3	2.4	-1.7	9.8	20.4	5.3
Jul	4.6	2.9	4.7	5.6	29.1		3.6	9.3	4.2	-1.2	12.3	26.7	7.2
Aug	2.1	2.1	-6.3	3.3	21.5		2.0	5.3	3.8	-3.3	6.8	21.3	1.2
Sep	3.7	5.3	-3.8	4.0	24.4		2.2	7.1	1.7	-8.3	10.8	25.9	3.7
Oct	6.1	3.3	4.0	7.9	28.1		2.9	8.6	5.1	2.3	10.9	24.4	6.4
Nov	4.2	0.4	4.0	6.6	36.4		0.7	10.7	5.1	1.8	13.8	29.4	7.3
Dec	4.4	2.3	3.5	5.7	23.4		4.5	6.4	6.6	-1.9	7.3	20.0	1.5
12 Jan	2.0	3.2	14.0	-0.1	0.5		-0.7	5.5	6.9	-2.4	5.9	17.9	1.4
Feb	5.1	4.9	14.3	3.9	10.2		2.4	7.8	4.8	-0.9	9.6	16.7	4.1
Mar	3.7	8.5	7.9	0.1	1.2		-1.2	8.5	4.4	3.0	10.5	13.2	5.7
Apr	-0.4	3.1	1.9	-2.6	-0.1		-2.5	4.0	-0.2	0.0	5.6	10.9	1.6
May	2.1	4.4	2.5	1.1	3.6		0.9	7.0	0.6	6.9	9.0	10.6	6.9
Jun	0.5	6.4	5.3	-3.3	-3.8		-3.4	4.6	6.9	2.7	4.2	5.7	2.5
Jul	-0.1	3.5	1.8	-2.2	0.9		-3.1	1.0	6.1	-4.1	-0.0	3.0	-1.7
Aug	2.1	6.3	7.3	-0.1	7.6		-0.7	5.8	4.3	-4.7	7.1	15.6	-0.9
Sep	3.3	5.1	13.3	1.7	6.6		0.8	5.5	4.8	7.1	5.4	11.7	1.4
Oct	0.0	5.4	3.9	-3.1	5.9		-1.8	4.6	4.4	-10.0	6.0	10.2	2.8

EXPORT AND IMPORT UNIT VALUE INDICES (a)



IMPORT UNIT VALUE INDICES BY PRODUCT GROUP (a)



Sources: ME, MHAP and BE.

Note: The underlying series for this indicator are in the Tables 18.6 and 18.7 of the Boletín Estadístico.

a. Annual percentage changes (trend obtained with TRAMO-SEATS).

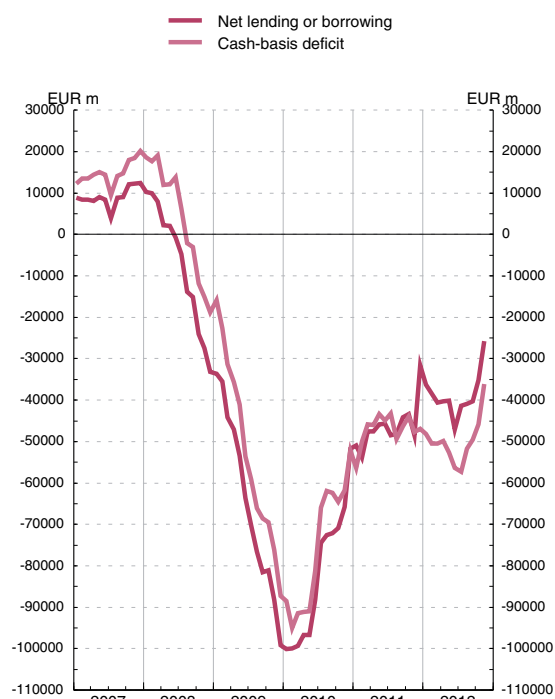
6.1. STATE RESOURCES AND USES ACCORDING TO THE NATIONAL ACCOUNTS. SPAIN

■ Series depicted in chart.

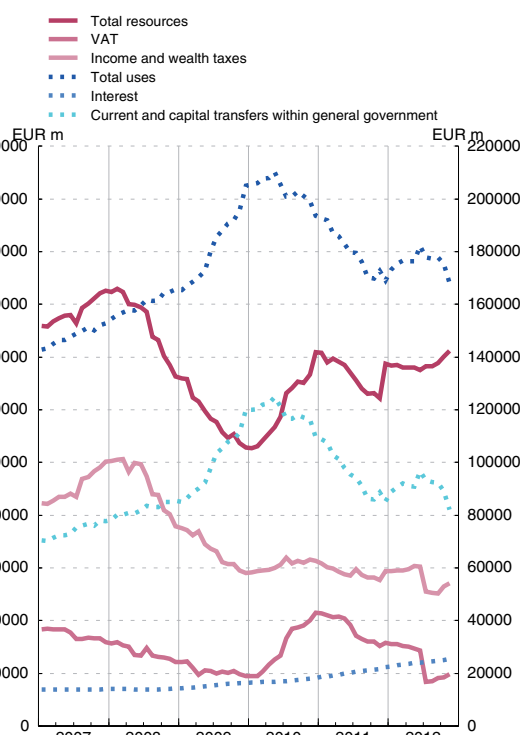
EUR millions

	Net lending (+) or borrowing (-)	Current and capital resources						Current and capital uses						Memorandum item: cash-basis deficit		
		Total	Value added tax (VAT)	Other taxes on products and imports	Interest and other income on property	Income and wealth taxes	Other	Total	Compensation of employees	Interest	Current and capital transfers within general government	Investment grants and other capital transfers	Other	Cash-basis deficit	Revenue	Expenditure
		2=3+7	3	4	5	6	7	8=9+13	9	10	11	12	13	14=15-16	15	16
07	12 365	165 285	31 885	12 938	6 636	100 446	13 380	152 920	18 006	14 032	77 833	6 092	36 957	20 135	159 840	139 704
08	-33 125	132 614	24 277	12 715	6 989	75 803	12 830	165 739	19 179	14 224	85 576	5 724	41 036	-18 747	129 336	148 082
09	-99 130	105 783	18 919	11 586	8 125	58 156	8 997	204 913	20 176	16 392	120 013	5 617	42 715	-87 281	102 038	189 319
10	P -51 764	141 912	42 914	11 800	7 724	62 704	16 770	193 676	20 479	18 190	109 619	4 145	41 243	-52 235	127 337	179 572
11	P -31 671	137 518	31 575	8 034	7 499	58 806	31 604	169 189	20 151	22 434	85 154	3 920	37 530	-46 868	104 227	151 095
11 J-N	P -51 905	92 446	20 456	7 170	4 901	45 724	14 195	144 351	17 268	19 903	76 676	1 684	28 820	-38 467	97 396	135 863
12 J-N	A -45 970	97 312	8 465	5 074	3 262	41 084	39 427	143 282	17 056	22 899	73 599	672	29 056	-27 738	108 318	136 056
11 Nov	P -12 010	6 247	191	550	735	2 950	1 821	18 257	1 488	1 846	11 589	174	3 160	-11 815	4 068	15 882
Dec	P 20 234	45 072	11 119	864	2 598	13 082	17 409	24 838	2 883	2 531	8 478	2 236	8 710	-8 401	6 830	15 231
12 Jan	A -9 341	4 309	1 339	681	454	1 525	310	13 650	1 396	2 057	7 864	-	2 333	-9 040	9 194	18 235
Feb	A -11 391	4 830	2 165	514	101	1 825	225	16 221	1 436	1 957	8 784	11	4 033	-155	13 868	14 024
Mar	A 437	13 686	4 233	463	1 186	6 371	1 433	13 249	1 446	2 105	7 348	8	2 342	-3 624	5 516	9 140
Apr	A -5 254	7 139	443	727	365	4 806	798	12 393	1 617	2 017	6 060	62	2 637	3 625	17 158	13 532
May	A -10 823	1 744	-980	578	210	328	1 608	12 567	1 465	2 135	6 420	53	2 494	-10 599	186	10 785
Jun	A -6 881	12 892	3 666	507	128	6 047	2 544	19 773	2 593	2 013	12 050	243	2 874	-13 254	3 112	16 366
Jul	A -5 034	7 577	-12 002	-1 941	118	-4 442	25 844	12 611	1 153	2 114	7 016	29	2 299	2 091	19 165	17 074
Aug	A -1 583	7 929	356	824	61	4 809	1 879	9 512	1 408	2 103	3 578	48	2 375	-8 234	-1 374	6 860
Sep	A 3 708	14 886	6 146	1 055	382	5 817	1 486	11 178	1 544	2 038	4 941	37	2 618	4 537	13 260	8 723
Oct	A 2 734	13 787	1 862	758	107	9 737	1 323	11 053	1 449	2 183	4 919	83	2 419	9 093	21 768	12 675
Nov	A -2 542	8 533	1 237	908	150	4 261	1 977	11 075	1 549	2 177	4 619	98	2 632	-2 178	6 464	8 642

STATE. NET LENDING OR BORROWING AND CASH-BASIS DEFICIT (Latest 12 months)



STATE. RESOURCES AND USES ACCORDING TO THE NATIONAL ACCOUNTS (Latest 12 months)



Source: Ministerio de Hacienda y Administraciones Públicas (IGAE).

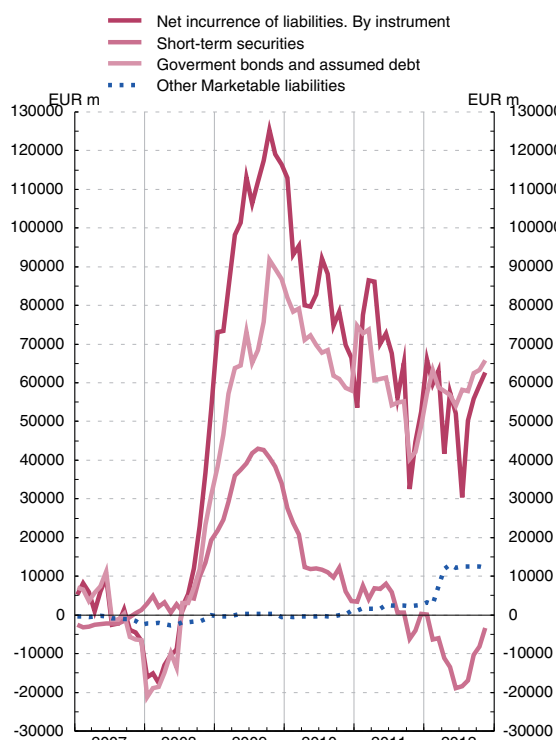
6.2. STATE FINANCIAL TRANSACTIONS. SPAIN

■ Series depicted in chart.

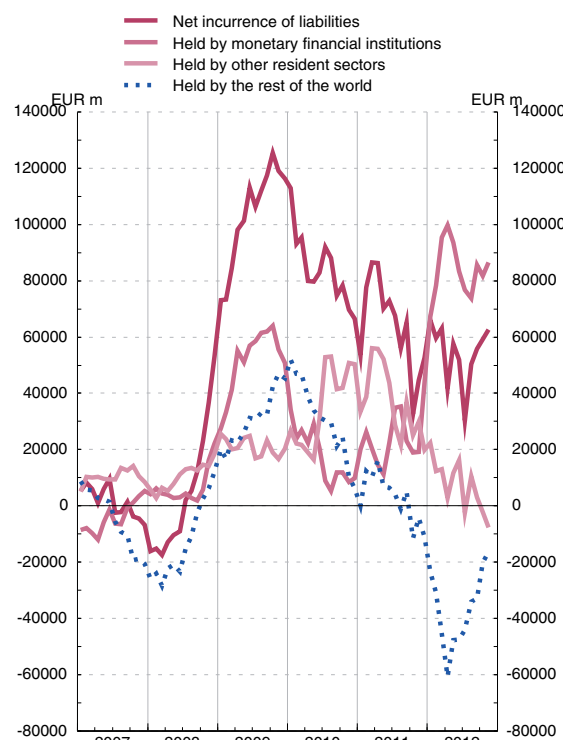
EUR millions

	Net lending (+) or net borrowing(-)	Net acquisition of financial assets			Net incurrence of liabilities										Net incurrence of liabilities (excluding other accounts payable)
		Of which			Of which		By instrument					By counterpart sector			
Total	Deposits at the Banco de España	Total	Monetary financial institutions	Other resident sectors											
					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
07	12 365	5 657	65	-6 708	-118	1 206	-6 475	-519	-2 495	1 575	13 875	5 342	8 533	-20 582	-8 282
08	-33 125	19 881	4 337	53 006	1 227	19 355	30 868	-520	-40	3 343	40 774	22 233	18 541	12 232	49 664
09	-99 130	17 203	-4 197	116 333	1 524	34 043	86 835	-535	-510	-3 500	71 031	50 819	20 212	45 302	119 833
10	P -51 764	14 737	-5	66 501	-726	3 616	57 958	-544	1 145	4 326	60 204	9 809	50 396	6 297	62 175
11	P -31 671	20 872	-75	52 543	-1 442	312	48 941	-537	2 626	1 201	63 688	43 784	19 904	-11 145	51 342
11 J-N	P -51 905	-8 930	-200	42 975	-1 454	-1 861	35 597	-537	1 783	7 993	45 237	15 316	29 921	-2 262	34 982
12 J-N	A -45 970	7 129	4 274	53 099	-2 717	-5 484	52 500	-542	11 306	-4 682	60 618	58 152	2 466	-7 519	57 781
11 Nov	P -12 010	2 687	0	14 697	11	203	10 119	-	388	3 987	12 553	1 981	10 573	2 144	10 710
Dec	P 20 234	29 802	125	9 568	12	2 173	13 344	-	843	-6 792	18 451	28 467	-10 016	-8 883	16 360
12 Jan	A -9 341	3 556	-210	12 897	12	-937	12 945	-	657	231	22 761	22 675	86	-9 864	12 666
Feb	A -11 391	1 600	19 483	12 991	11	-4 508	14 172	-	3	3 324	14 818	13 444	1 375	-1 827	9 667
Mar	A 437	10 625	-1 998	10 188	-753	-2 067	8 964	-	4 668	-1 377	22 594	19 825	2 770	-12 406	11 565
Apr	A -5 254	-17 156	-3 999	-11 902	-9	-5 515	-10 926	-542	4 373	708	2 079	2 154	-75	-13 982	-12 610
May	A -10 823	-3 185	-13 401	7 638	11	-1 887	7 329	-	1 196	1 000	5 260	-1 541	6 801	2 378	6 638
Jun	A -6 881	-1 320	-0	5 561	-48	-2 908	6 590	-	113	1 766	4 253	800	3 453	1 307	3 795
Jul	A -5 034	-16 236	0	-11 202	11	757	-11 530	-	347	-775	-11 014	-8 325	-2 689	-188	-10 427
Aug	A -1 583	1 840	-0	3 423	10	-1 219	5 385	-	24	-767	-3 263	-5 011	1 749	6 686	4 190
Sep	A 3 708	17 935	-0	14 227	-1 962	7 316	13 792	-	-55	-6 825	6 170	11 805	-5 635	8 058	21 052
Oct	A 2 734	-6 055	-0	-8 789	0	463	-6 796	-	-11	-2 444	-15 266	-4 643	-10 623	6 477	-6 345
Nov	A -2 542	15 524	4 400	18 066	-	5 021	12 577	-	-7	475	12 224	6 972	5 252	5 842	17 591

STATE. NET INCURRENCE OF LIABILITIES. BY INSTRUMENT
(Latest 12 months)



STATE. NET INCURRENCE OF LIABILITIES. BY COUNTERPART SECTOR
(Latest 12 months)



Source: BE.

a. Includes other loans, non-negotiable securities, coined money and Caja General de Depósitos (General Deposit Fund).

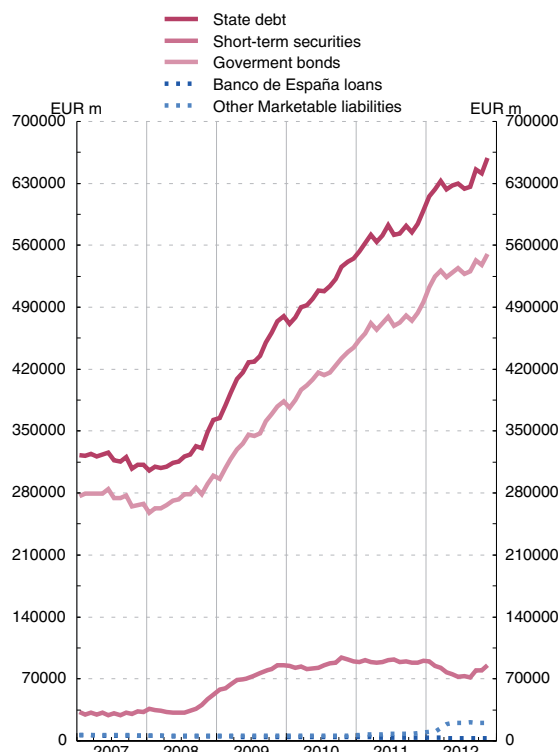
6.3. STATE. LIABILITIES OUTSTANDING ACCORDING TO THE METHODOLOGY OF EXCESSIVE DEFICIT PROCEDURE. SPAIN

■ Series depicted in chart.

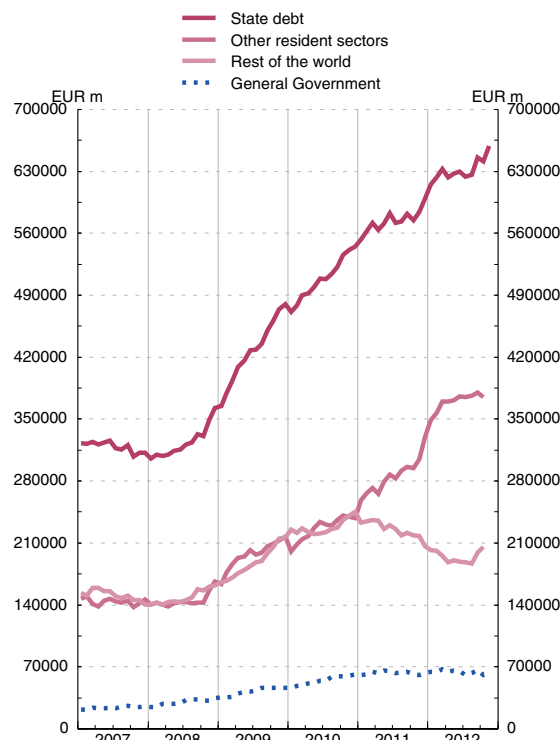
EUR millions

	Liabilities outstanding according to the methodology of the Excessive Deficit Procedure (PDE)										Memorandum item:				
	Of which:		By instrumtents				By counterpart sector				Deposits at the Banco de España	Other deposits: Treasury liquidity tenders (b)	Guarantees given (outstanding balance)		
	Total	In currencies other than euro	Short-term securities	Government bonds and assumed debt	Banco de España loans	Other marketable liabilities (a)	Held by resident sectors			Rest of the world			Of which:		
							Total	General Government	Other resident sectors				Total	Granted to other General Government units n	to FEEF (c)
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
07	312 083	355	32 444	267 998	5 832	5 808	171 839	25 551	146 288	140 243	165	15 018	6 162	-	-
08	362 890	63	52 074	299 558	5 249	6 008	201 112	34 511	166 601	161 779	4 502	21 403	8 152	-	-
09	479 541	68	85 513	383 864	4 665	5 498	263 300	46 105	217 195	216 240	305	24 486	58 854	3 000	-
10	P 544 789	0	89 756	444 308	4 082	6 643	299 647	61 170	238 478	245 142	300	28 598	73 560	6 000	-
11 Nov	P 584 038	0	88 364	483 750	3 499	8 426	365 946	61 032	304 914	218 092	100	24 381	92 063	21 855	2 589
Dec	P 599 037	0	90 608	495 662	3 499	9 269	392 617	62 613	330 005	206 420	225	30 391	99 748	23 851	2 993
12 Jan	A 615 473	0	89 582	512 466	3 499	9 926	413 632	64 736	348 896	201 840	15	36 152	100 274	23 851	3 915
Feb	A 623 108	0	85 028	524 651	3 499	9 929	421 537	64 522	357 015	201 570	19 499	35 267	98 287	26 216	3 915
Mar	A 632 324	0	82 849	531 379	3 499	14 597	436 745	66 960	369 785	195 579	17 500	36 709	131 683	27 060	19 630
Apr	A 623 115	0	77 270	523 960	2 915	18 970	434 761	64 609	370 152	188 354	13 501	30 536	126 683	27 060	20 449
May	A 627 823	0	75 312	529 430	2 915	20 165	437 563	65 961	371 602	190 260	100	40 266	133 538	27 060	27 621
Jun	A 629 902	0	72 444	534 265	2 915	20 278	440 916	65 107	375 810	188 986	100	28 801	136 900	27 060	29 357
Jul	A 624 087	0	73 212	527 335	2 915	20 625	435 677	61 014	374 663	188 410	100	23 131	133 402	24 060	29 972
Aug	A 626 431	0	71 988	530 879	2 915	20 649	439 376	63 007	376 368	187 055	100	18 935	132 361	24 060	29 145
Sep	A 645 863	0	79 364	542 990	2 915	20 594	447 148	66 878	380 270	198 715	100	36 604	130 906	24 060	28 821
Oct	A 640 974	0	79 858	537 618	2 915	20 583	435 752	60 733	375 019	205 222	100	29 219	130 293	24 060	30 047
Nov	A 658 727	0	85 085	550 152	2 915	20 575	...	63 139	...	...	4 499	22 511	130 544	24 443	30 829

STATE. LIABILITIES OUTSTANDING
By instrument



STATE. LIABILITIES OUTSTANDING
By counterpart sector



SOURCE: BE.

a. Includes other loans, non-negotiable securities and coined money.

b. Includes the daily liquidity tenders of the Treasury recorded in its accounts at the Banco de España and the repurchase agreements carried out by the Treasury with a one-month maturity.

c. European Financial Stability Facility.

7.1. SPANISH BALANCE OF PAYMENTS VIS-À-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. CURRENT ACCOUNT

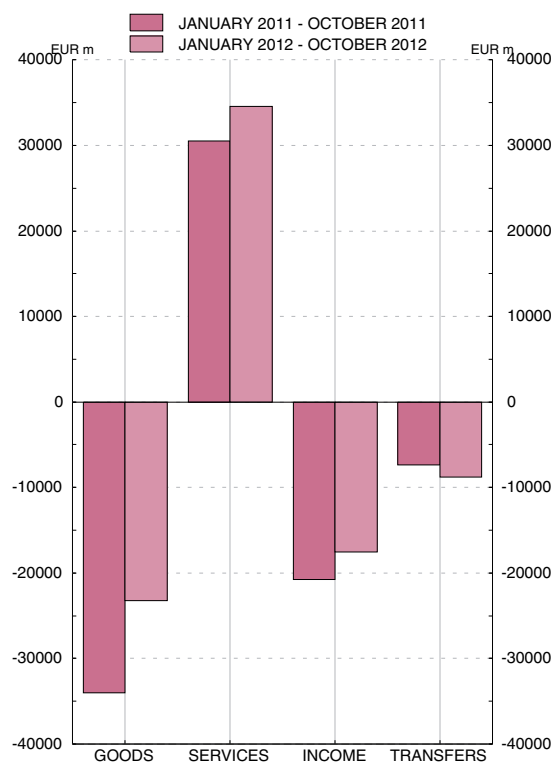
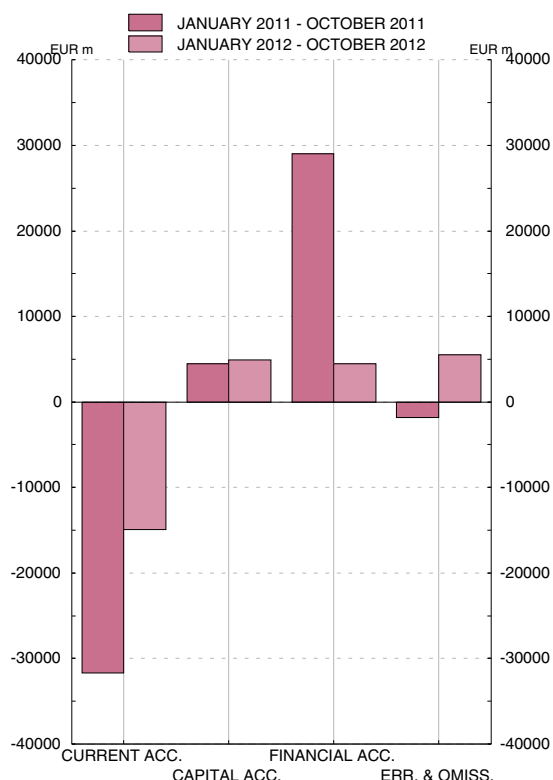
■ Series depicted in chart.

EUR millions

	Current account (a)													Capital account (balance)	Current account plus capital account	Financial account (balance) (b)	Errors and omis sion
Total (balance)	Goods			Services				Income			Current trans- fers (bal- ance)						
	Balance	Receipts	Payments	Balance	Receipts		Payments		Balance	Receipts		Pay- ments					
					Of which		Of which										
					Total	Travel	Total	Travel									
1=2+5+ 10+13	2=3-4	3	4	5=6-8	6	7	8	9	10=- 11-12	11	12	13	14	15=1+14	16	17=- (15+16)	
09	-50 539	-41 611	164 083	205 693	25 032	88 754	38 125	63 722	12 086	-25 931	45 338	71 269	-8 030	4 224	-46 315	51 982	-5 667
10	P -47 427	-47 779	193 666	241 445	27 514	93 870	39 621	66 356	12 663	-19 849	46 051	65 901	-7 313	6 289	-41 138	43 174	-2 036
11	P -37 497	-39 727	222 641	262 367	34 240	102 220	43 026	67 980	12 422	-26 106	42 355	68 461	-5 904	5 488	-32 009	35 760	-3 751
11 J-O	P -31 659	-34 021	184 684	218 705	30 493	86 573	38 264	56 081	10 345	-20 770	33 752	54 523	-7 361	4 454	-27 205	28 996	-1 791
12 J-O	P -14 910	-23 209	191 722	214 931	34 591	91 936	38 595	57 344	9 972	-17 523	28 830	46 353	-8 770	4 927	-9 983	4 447	5 536
11 Jul	P -880	-1 105	19 332	20 437	4 376	10 577	5 481	6 201	1 272	-3 501	3 920	7 421	-650	351	-528	6 236	-5 708
Aug	P -1 119	-4 400	16 044	20 445	5 064	10 471	5 734	5 407	1 368	-1 661	2 409	4 070	-121	935	-184	-334	518
Sep	P -3 726	-4 550	18 721	23 271	3 658	9 589	4 653	5 931	1 237	-2 325	3 369	5 694	-509	-19	-3 745	2 356	1 389
Oct	P -1 363	-3 023	19 860	22 883	3 646	9 474	4 154	5 829	1 172	-1 465	3 521	4 986	-521	280	-1 083	3 448	-2 366
Nov	P -1 926	-1 791	20 531	22 323	2 054	7 667	2 606	5 613	1 103	-2 568	3 223	5 791	379	869	-1 058	5 234	-4 177
Dec	P -3 911	-3 915	17 425	21 340	1 693	7 979	2 156	6 286	974	-2 768	5 379	8 147	1 078	165	-3 746	1 530	2 216
12 Jan	P -5 677	-3 291	17 047	20 338	1 749	7 191	2 677	5 442	832	-2 998	2 878	5 875	-1 137	84	-5 593	3 767	1 826
Feb	P -6 085	-3 175	18 544	21 719	1 518	7 034	2 243	5 515	881	-1 847	2 437	4 284	-2 582	116	-5 969	6 783	-813
Mar	P -3 265	-2 645	20 869	23 515	2 001	7 687	2 687	5 686	832	-1 858	3 027	4 885	-763	485	-2 780	108	2 672
Apr	P -1 600	-2 931	17 565	20 497	2 558	7 874	2 733	5 315	844	-914	2 952	3 866	-313	314	-1 286	425	861
May	P -277	-1 400	19 911	21 310	3 238	8 645	3 550	5 407	685	-1 414	3 857	5 271	-702	702	425	1 827	-2 252
Jun	P -805	-2 303	19 575	21 878	4 162	10 320	4 380	6 159	1 133	-2 318	3 415	5 733	-346	711	-94	1 627	-1 533
Jul	P 877	-1 171	20 252	21 423	5 209	11 797	5 607	6 588	1 211	-2 703	2 725	5 428	-458	80	957	1 275	-2 231
Aug	P 1 353	-2 629	17 176	19 804	5 719	11 395	5 814	5 676	1 272	-811	2 334	3 145	-926	636	1 989	-139	1 850
Sep	P -296	-2 708	18 923	21 631	4 239	10 081	4 820	5 842	1 183	-808	2 964	3 772	-1 020	792	496	-5 313	4 817
Oct	P 865	-955	21 860	22 815	4 198	9 914	4 084	5 716	1 099	-1 853	2 241	4 093	-524	1 008	1 873	-5 911	4 038

SUMMARY

CURRENT ACCOUNT



Sources: BE. Data compiled in accordance with the IMF Balance of Payments Manual (5th edition).

a. A positive sign for the current and capital account balances indicates a surplus (receipts greater than payments) and, thus, a Spanish net loan abroad (increase in the creditor position or decrease in the debtor position).

b. A positive sign for the financial account balance (the net change in liabilities exceeds the net change in financial assets) means a net credit inflow, i.e. a net foreign loan to Spain (increase in the debtor position or decrease in the creditor position).

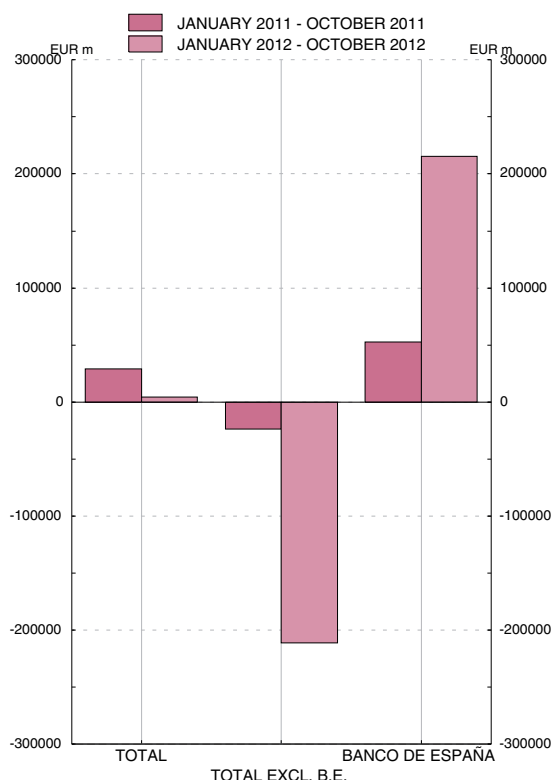
7.2. SPANISH BALANCE OF PAYMENTS VIS-À-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. FINANCIAL ACCOUNT (a)

■ Series depicted in chart.

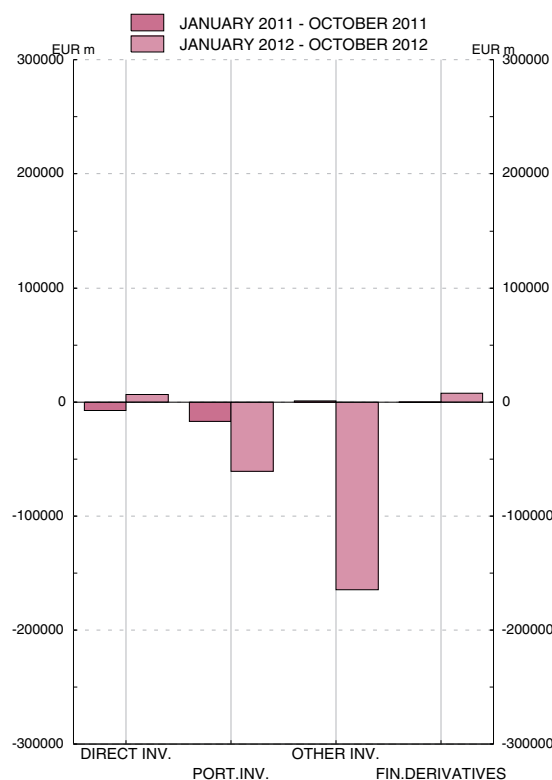
EUR millions

	Financial account (NCL- NCA) 1= 2+13	Total, excluding Banco de España												Banco de España			
		Total (NCL- NCA) 2=3+6+ 9+12	Direct investment			Portfolio investment			Other investment (d)			Net financial deriva- tives (NCL- NCA) 12	Balance (NCL- NCA) 13=14+ 15+16	Re- serves (e) 14	Net claims with the Euro- system (e) 15	Other net assets (NCL- NCA) 16	
			Balance (NCL- NCA) 3=5-4	Spanish invest- ment abroad (NCA) 4	Foreign invest- ment in Spain (NCL) (b) 5	Balance (NCL- NCA) 6=8-7	Spanish invest- ment abroad (NCA) 7	Foreign invest- ment in Spain (NCL) (c) 8	Balance (NCL- NCA) 9=11-10	Spanish invest- ment abroad (NCA) 10	Foreign invest- ment in Spain (NCL) 11						
09		51 982	41 517	-1 917	9 409	7 491	44 824	3 491	48 315	4 665	4 009	8 674	-6 054	10 464	-1 563	6 146	5 882
10	P	43 174	27 478	1 827	28 949	30 776	27 671	-63 711	-36 040	-10 610	17 439	6 829	8 589	15 696	-814	9 788	6 722
11	P	35 760	-73 393	-5 596	26 800	21 204	-23 076	-42 904	-65 979	-44 880	35 500	-9 380	159	109 153	-10 010	124 056	-4 893
11 J-O	P	28 996	-23 703	-7 337	19 818	12 481	-17 289	-28 865	-46 155	1 126	28 920	30 046	-203	52 699	-3 174	57 565	-1 692
12 J-O	P	4 447	-211 075	6 641	4 467	11 108	-60 773	-22 327	-83 100	-164 744	44 742	120 003	7 801	215 522	-2 217	205 458	12 281
11 Jul	P	6 236	-4 768	763	2 150	2 913	-3 099	-4 804	-7 903	-2 216	-4 041	-6 258	-216	11 004	-1 462	11 311	1 156
Aug	P	-334	-18 087	-1 117	-1 099	-2 216	-8 352	-1 554	-9 907	-7 454	4 919	-2 535	-1 165	17 753	-43	21 553	-3 756
Sep	P	2 356	-7 908	2 516	1 439	3 955	-3 152	-1 900	-5 052	-7 682	-878	-8 560	410	10 264	-92	10 396	-40
Oct	P	3 448	-15 397	1 532	3 728	5 260	-5 634	-3 667	-9 301	-11 363	5 128	-6 235	68	18 845	-948	19 867	-73
Nov	P	5 234	-17 235	1 082	1 992	3 073	6 673	-8 479	-1 806	-26 348	7 802	-18 546	1 358	22 469	-3 694	28 690	-2 527
Dec	P	1 530	-32 454	659	4 990	5 649	-12 460	-5 559	-18 019	-19 657	-1 222	-20 880	-996	33 984	-3 142	37 801	-675
12 Jan	P	3 767	-5 766	2 934	-1 116	1 818	-6 321	-49	-6 370	-2 194	-1 693	-3 887	-185	9 533	-71	8 808	797
Feb	P	6 783	-22 523	2 347	-104	2 243	-6 166	2 157	-4 009	-21 383	9 185	-12 198	2 679	29 305	-111	27 639	1 777
Mar	P	108	-66 625	2 427	-3	2 424	-24 693	687	-24 006	-44 613	21 008	-23 605	253	66 734	-30	64 608	2 156
Apr	P	425	-28 565	1 148	1 255	2 404	-22 137	-4 242	-26 379	-6 513	4 362	-2 151	-1 063	28 990	-152	26 807	2 334
May	P	1 827	-40 224	-1 312	1 703	391	-9 509	-2 624	-12 133	-29 713	17 824	-11 889	311	42 051	-243	42 265	29
Jun	P	1 627	-58 550	-3 052	2 466	-587	-13 853	-2 121	-15 974	-42 267	16 639	-25 627	622	60 177	-3 502	63 314	364
Jul	P	1 275	-17 605	-1 243	418	-826	-4 454	-6 671	-11 125	-15 018	-8 582	-23 600	3 111	18 879	2 025	14 853	2 001
Aug	P	-139	-11 903	-502	1 264	763	775	545	1 319	-11 934	-7 581	-19 515	-242	11 764	-122	11 155	731
Sep	P	-5 313	28 597	3 070	-3 199	-129	10 293	-1 280	9 013	14 529	-8 148	6 382	704	-33 911	-14	-34 287	390
Oct	P	-5 911	12 089	825	1 782	2 608	15 292	-8 730	6 562	-5 638	1 726	-3 912	1 610	-18 000	2	-19 704	1 702

FINANCIAL ACCOUNT
(NCL-NCA)



FINANCIAL ACCOUNT, EXCLUDING BANCO DE ESPAÑA. Breakdown.
(NCL-NCA)



Sources: BE. Data compiled in accordance with the IMF Balance of Payments Manual (5th edition).

a. Changes in assets (NCA) and changes in liabilities (NCL) are both net of repayments. A positive (negative) sign in NCA columns indicates an outflow (inflow) of foreign financing. A positive (negative) sign in NCL columns implies an inflow (outflow) of foreign financing.

b. This does not include direct investment in quoted shares, but does include portfolio investment in unquoted shares.

c. This includes direct investment in quoted shares, but does not include portfolio investment in unquoted shares. d. Mainly, loans, deposits and repos.

e. A positive (negative) sign indicates a decrease (increase) in the reserves and/or claims of the BE with the Eurosystem.

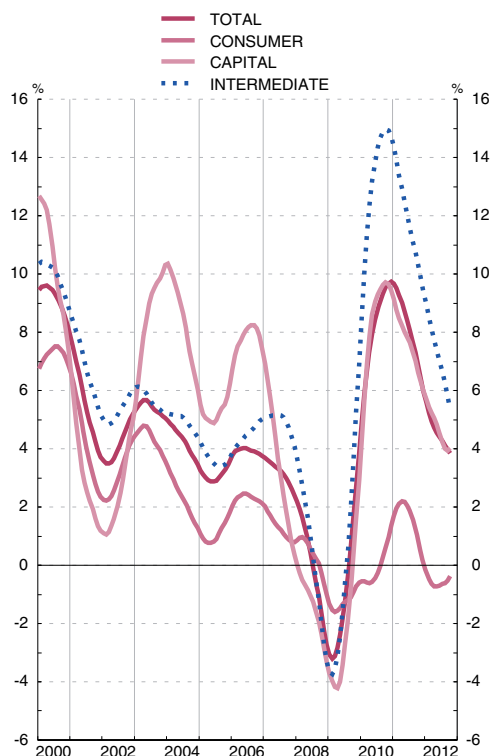
7.3. SPANISH FOREIGN TRADE WITH OTHER EURO AREA COUNTRIES AND WITH THE REST OF THE WORLD EXPORTS AND DISPATCHES

■ Series depicted in chart.

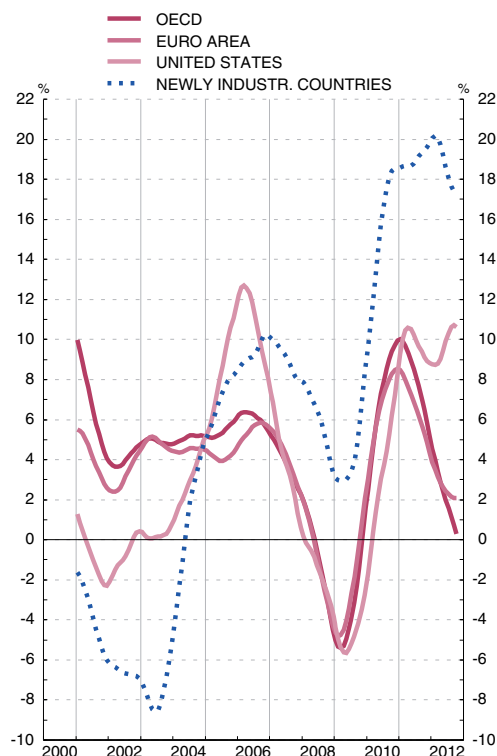
Eur millions and annual percentage changes

	Total			By product (deflated data) (a)					By geographical area (nominal data)							
	EUR millions	Nom- inal	De- flat- (a)	Con- sumer	Capital	Intermediate			EU 27		OECD		OPEC	Other Amer- ican coun- tries	China	Newly indus- trial- ised coun- tries
						Total	Energy	Non- energy	Total	Euro Area	of which:					
											Total	United States				
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
05	155 005	5.5	0.8	-0.8	5.5	1.4	-8.7	2.2	2.6	2.3	4.3	10.2	9.1	11.8	31.4	14.5
06	170 439	10.0	5.2	2.9	12.7	5.6	-3.7	6.2	8.1	7.8	8.4	17.7	6.0	34.5	12.8	16.5
07	185 023	8.6	5.8	3.0	4.4	8.1	6.6	8.1	8.0	8.4	7.1	-1.1	22.3	-12.5	23.5	-0.8
08	189 228	2.3	0.7	2.4	-5.6	0.6	19.0	-0.6	-0.1	-0.5	-0.4	1.4	30.1	1.0	1.2	4.2
09	159 890	-15.5	-9.4	-3.4	-14.1	-12.8	-19.9	-12.2	-15.5	-13.2	-15.1	-24.4	-11.4	-17.9	-7.7	8.5
10	186 780	16.8	15.0	-3.4	22.4	28.6	15.4	29.6	14.3	13.6	15.2	15.5	9.6	35.7	34.1	27.0
11	215 230	15.2	10.0	6.8	17.9	10.7	12.1	11.4	12.7	9.5	13.6	20.0	26.2	18.8	27.2	1.3
11 Sep	P	17 780	11.8	7.8	4.1	22.8	7.9	18.4	7.2	4.8	1.0	7.3	20.6	27.0	14.2	22.4
Oct	P	19 394	11.5	5.1	0.9	-9.2	9.9	124.6	2.6	12.1	10.0	11.1	-7.6	9.3	7.3	38.1
Nov	P	19 866	13.4	8.7	0.2	15.4	13.2	102.0	7.3	14.3	14.5	12.7	-1.8	14.1	3.8	27.0
Dec	P	17 004	6.6	2.1	-11.4	10.0	10.1	-0.8	10.8	-0.7	-4.6	1.0	14.6	75.4	13.6	10.3
12 Jan	P	16 579	3.9	1.9	-5.2	-4.5	7.2	29.8	5.9	0.8	-1.3	-0.5	6.4	42.5	16.2	14.6
Feb	P	17 978	4.9	-0.2	0.1	-26.4	4.4	41.6	2.2	1.9	-1.3	3.2	-3.7	16.3	-18.8	-1.0
Mar	P	19 889	1.2	-2.3	-10.7	-15.1	5.5	49.5	3.2	-0.2	-0.6	-1.4	-3.9	24.4	7.4	17.9
Apr	P	17 198	-0.8	-0.5	-5.9	-9.0	4.0	-3.4	4.5	-4.6	-2.8	-3.1	-8.1	7.6	25.9	22.5
May	P	19 462	6.2	4.0	-3.8	1.6	8.6	7.5	8.7	2.1	0.3	1.8	4.5	57.1	29.3	5.6
Jun	P	18 869	5.1	4.5	-3.2	3.1	9.4	12.6	9.2	-1.1	-3.6	-0.4	11.5	45.0	41.1	5.3
Jul	P	19 600	5.2	5.3	5.2	-10.7	8.0	25.5	6.8	-2.2	0.7	2.5	30.6	23.0	21.3	32.5
Aug	P	16 587	7.4	5.2	-2.5	-13.4	11.2	3.2	11.8	-1.5	-0.2	4.7	26.7	23.3	26.1	6.7
Sep	P	17 866	0.5	-2.8	-13.8	-20.9	6.1	16.1	5.4	-4.0	-5.7	-2.4	24.9	33.8	12.4	-14.2
Oct	P	21 078	8.7	8.6	7.1	12.7	8.8	-30.6	14.2	-3.3	-6.3	2.8	59.4	54.2	41.7	24.2

BY PRODUCT
Annual percentage changes (trend obtained with TRAMO-SEATS method)



BY GEOGRAPHICAL AREA
Annual percentage changes (trend obtained with TRAMO-SEATS method)



Sources: ME, MHP y BE.

Note: The underlying series for this indicator are in Tables 18.4 and 18.5 of the Boletín estadístico.

The monthly series are provisional data, while the annual series are the final foreign trade data.

a. Series deflated by unit value indices.

7.4. SPANISH FOREIGN TRADE WITH OTHER EURO AREA COUNTRIES AND WITH THE REST OF THE WORLD IMPORTS AND ARRIVALS

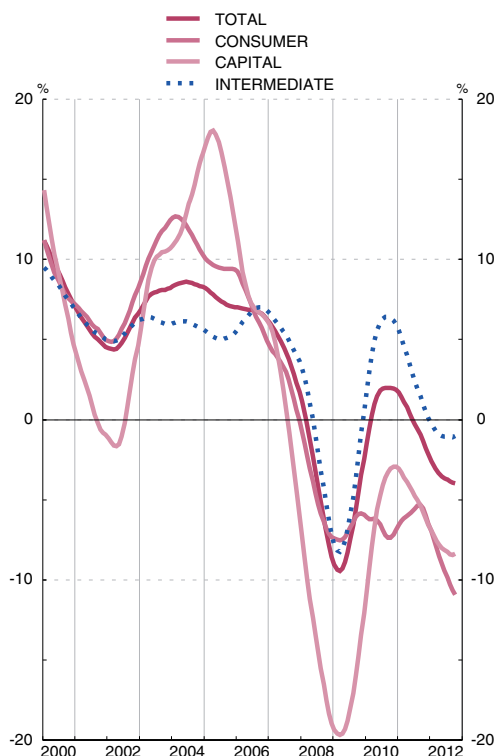
■ Series depicted in chart.

Eur millions and annual percentage changes

		Total			By product (deflated data) (a)						By geographical area (nominal data)							
		EUR millions	Nom- inal	De- flated (a)	Con- sumer	Capital	Intermediate			EU 27		OECD		OPEC	Other Amer- ican coun- tries	China	Newly indus- trialised coun- tries	
							Total	Energy	Non- energy	Total	Euro Area	of which:						
												Total	United States					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
05		232 954	11.8	6.4	8.4	17.6	3.3	11.1	1.1	5.6	5.3	6.2	-0.1	40.8	29.3	37.3	11.2	
06		262 687	12.8	8.5	7.3	2.5	10.2	6.1	11.5	8.4	8.0	8.8	14.7	25.3	24.1	22.7	28.6	
07		285 038	8.5	7.6	5.8	10.8	7.8	4.0	8.9	10.5	11.0	9.7	16.4	-6.3	-6.8	28.7	-3.7	
08		283 388	-0.6	-4.5	-6.4	-14.3	-1.9	5.8	-3.9	-8.2	-8.8	-7.3	12.9	37.4	16.6	10.8	-16.1	
09		206 116	-27.3	-17.5	-12.1	-31.4	-17.5	-9.9	-20.0	-23.8	-25.6	-24.6	-25.1	-38.6	-31.1	-29.5	-31.6	
10		240 056	16.5	11.3	-4.1	9.0	19.0	3.3	24.5	9.8	7.5	10.5	14.2	36.0	44.8	30.8	7.1	
11		263 141	9.6	1.1	-3.0	-4.6	3.2	1.8	3.6	5.9	6.7	6.6	12.6	20.1	21.0	-1.1	-2.8	
11 Sep	P	22 633	11.8	4.4	2.9	3.1	5.1	18.6	1.6	5.0	3.5	7.7	14.8	44.0	15.6	-9.2	-16.6	
Oct	P	23 026	9.2	0.5	24.6	-8.7	-7.0	-10.0	-6.2	17.4	19.5	11.6	-3.7	-4.2	41.0	-3.6	-9.2	
Nov	P	22 540	5.3	-4.9	-10.0	-4.2	-3.1	1.5	-4.4	3.1	3.3	3.8	25.4	31.9	4.2	-7.2	-17.2	
Dec	P	21 552	1.1	-5.0	-13.4	-9.0	-1.4	-1.5	-1.4	0.5	1.5	4.6	-13.4	3.2	29.3	-13.8	-4.3	
12 Jan	P	20 234	-3.1	-8.2	-2.2	-11.3	-9.7	-14.9	-8.0	-4.9	-4.4	-5.9	-18.9	21.3	30.4	-0.2	-3.5	
Feb	P	21 737	6.6	-1.1	-3.8	-6.4	0.1	12.4	-3.2	1.5	-0.7	5.0	3.4	15.3	66.6	0.5	-22.2	
Mar	P	23 134	-4.6	-12.0	-10.9	-15.7	-12.1	6.1	-16.4	-13.4	-13.9	-12.5	-11.5	23.5	68.0	-17.6	-29.2	
Apr	P	20 554	-3.5	-7.2	-12.9	-10.5	-5.2	3.3	-7.5	-9.4	-10.5	-5.8	-1.2	12.8	-20.0	-0.7	-5.6	
May	P	21 388	-1.6	-8.0	-9.8	-18.6	-6.5	1.6	-8.4	-5.9	-7.3	-1.6	15.8	-0.7	32.9	-6.8	-3.2	
Jun	P	21 569	-1.4	-5.8	-11.2	-5.6	-4.2	0.9	-5.6	-1.7	-0.4	-1.4	-6.4	39.2	19.7	-6.7	-14.7	
Jul	P	21 293	5.0	4.0	-0.8	-4.3	6.2	8.5	5.5	2.2	0.8	3.1	-5.2	7.5	17.1	6.6	-4.7	
Aug	P	19 732	-3.1	-8.4	-16.0	-17.9	-4.6	9.3	-9.2	-9.7	-10.6	-9.0	-29.0	32.1	16.7	-13.7	-24.3	
Sep	P	20 951	-7.4	-12.2	-18.8	-22.9	-8.8	-4.9	-10.1	-9.5	-9.9	-9.3	-9.6	7.7	-2.6	-12.3	0.2	
Oct	P	22 570	-2.0	-6.3	-26.0	1.4	2.3	11.1	-0.1	-13.3	-15.5	-9.7	-2.1	39.3	-9.9	-0.9	9.4	

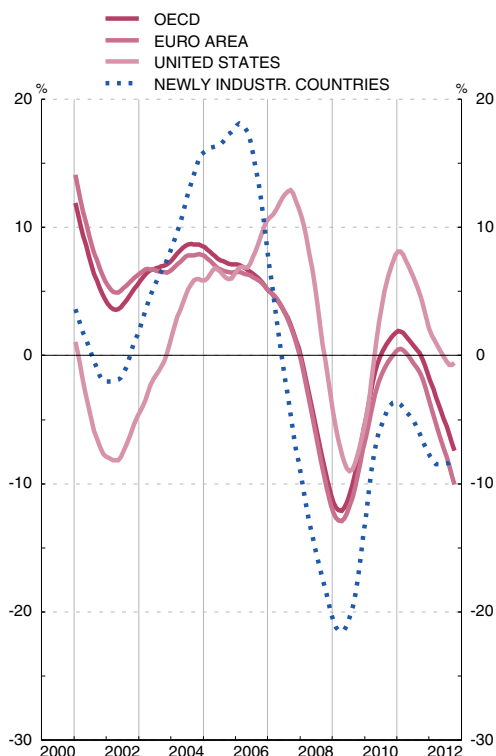
BY PRODUCTS

Annual percentage changes (trend obtained with TRAMO SEATS method)



BY GEOGRAPHICAL AREA

Annual percentage changes (trend obtained with TRAMO-SEATS method)



Sources: ME, MHP y BE.

Note: The underlying series for this indicator are in Tables 18.2 and 18.3 of the Boletín estadístico.

The monthly series are provisional data, while the annual series are the final foreign trade data.

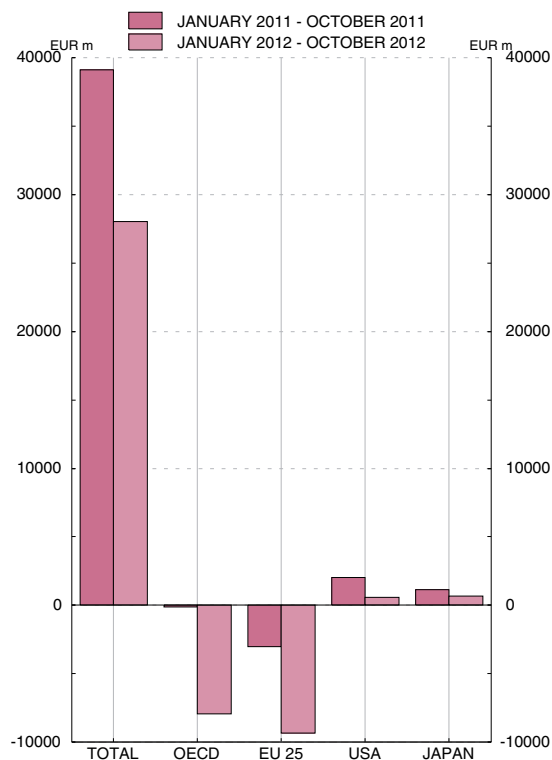
a. Series deflated by unit value indices.

**7.5. SPANISH FOREIGN TRADE WITH OTHER EURO AREA COUNTRIES AND WITH THE REST OF THE WORLD.
TRADE BALANCE. GEOGRAPHICAL DISTRIBUTION**

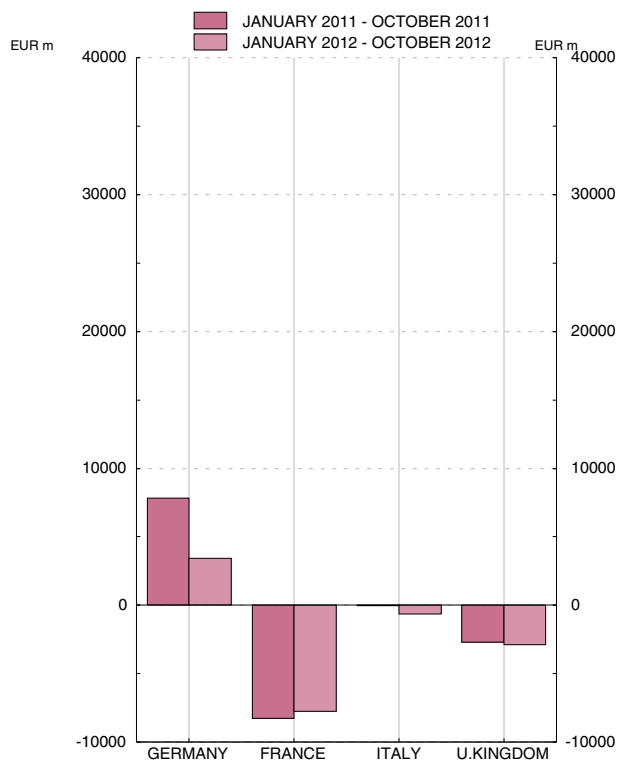
EUR millions

		World total	European Union (EU 27)						OECD					OPEC	Other American coun- tries	China	Newly indus- trialised countries
			Total	Euro area				Other EU 27		Of which:							
				Of which:				Of which:		Total	United States	Japan					
				Total	Germany	France	Italy	Total	United Kingdom								
1	2=3+7	3	4	5	6	7	8	9	10	11	12	13	14	15			
05		-77 950	-30 703	-29 399	-16 749	-3 112	-6 938	-1 303	-210	-41 860	-1 092	-4 769	-12 938	-3 089	-10 182	-3 411	
06		-92 249	-33 547	-32 156	-18 689	-1 625	-7 184	-1 391	294	-45 995	-1 062	-4 652	-17 031	-3 316	-12 647	-4 564	
07		-100 015	-40 176	-38 109	-23 752	-214	-8 375	-2 067	133	-54 211	-2 555	-4 779	-14 682	-3 477	-16 366	-4 347	
08		-94 160	-26 262	-26 207	-19 612	3 019	-6 608	-55	356	-39 729	-3 739	-3 663	-20 561	-4 971	-18 340	-3 296	
09		-46 227	-9 068	-6 767	-9 980	6 787	-1 847	-2 301	187	-15 709	-2 742	-1 958	-10 701	-2 641	-12 471	-1 532	
10		-53 276	-4 960	-2 211	-8 598	7 904	-477	-2 749	597	-11 261	-3 058	-2 054	-16 216	-4 267	-16 253	-1 252	
11		-47 910	3 405	1 029	-8 984	8 590	219	2 376	2 955	-1 751	-2 956	-1 389	-19 066	-5 312	-15 317	-1 116	
11 Sep	P	-4 853	-163	-166	-840	738	-3	3	178	-483	-266	-86	-1 808	-480	-1 467	-21	
Oct	P	-3 632	-131	-440	-1 171	1 495	-58	309	190	-461	-290	-52	-1 338	-546	-1 278	-27	
Nov	P	-2 674	1 653	1 589	-559	1 570	70	64	149	936	-492	-122	-1 678	-546	-1 172	-50	
Dec	P	-4 549	-636	-747	-552	322	-195	111	328	-1 527	-141	-85	-1 499	-706	-1 081	-87	
12 Jan	P	-3 655	900	586	-340	706	-15	315	276	620	-85	-134	-2 209	-589	-1 398	-61	
Feb	P	-3 759	468	302	-403	702	-26	165	327	-39	-229	-67	-1 860	-555	-1 218	25	
Mar	P	-3 245	1 451	996	-423	1 003	94	455	330	1 277	-151	-105	-1 836	-1 139	-875	53	
Apr	P	-3 356	777	544	-324	830	39	233	257	142	-190	-75	-1 651	-401	-1 008	-43	
May	P	-1 926	1 289	907	-336	1 043	64	382	157	712	-190	-116	-1 028	-470	-1 129	-38	
Jun	P	-2 700	655	186	-276	687	50	469	332	521	33	-37	-2 106	-325	-1 155	-8	
Jul	P	-1 693	1 524	1 163	-240	888	82	361	337	1 458	17	-2	-1 705	-405	-1 243	-31	
Aug	P	-3 145	558	358	-296	466	210	200	176	1 245	179	-37	-2 158	-397	-1 323	-3	
Sep	P	-3 085	486	239	-492	695	80	247	253	512	-39	-62	-1 780	-374	-1 291	12	
Oct	P	-1 492	1 223	603	-290	754	63	621	425	1 492	67	-21	-1 762	-164	-1 186	32	

CUMULATIVE TRADE DEFICIT



CUMULATIVE TRADE DEFICIT



Source: MHAP.

Note: The underlying series for this indicator are in Tables 18.3 and 18.5 of the Boletín Estadístico.

The monthly series are provisional data, while the annual series are the final foreign trade data.

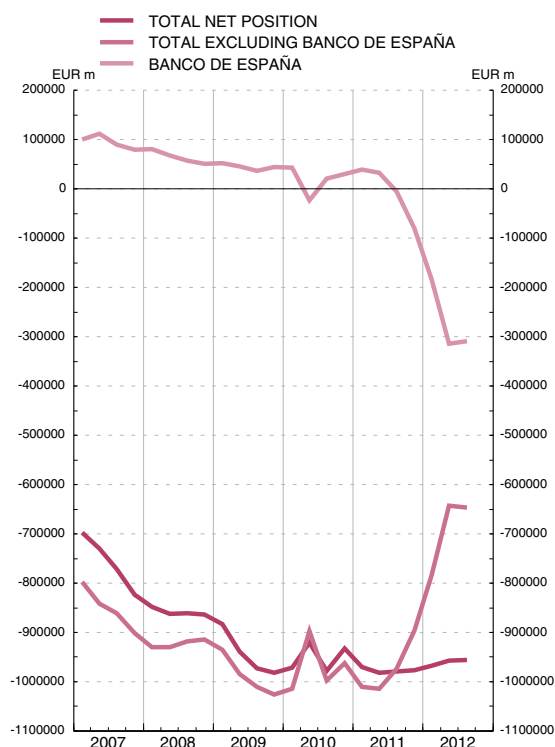
7.6. SPANISH INTERNATIONAL INVESTMENT POSITION VIS-À-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD SUMMARY

■ Series depicted in chart.

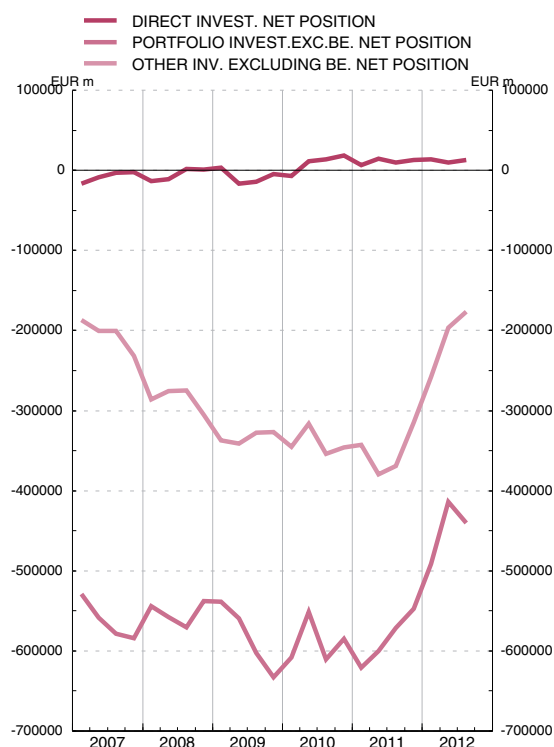
End-of-period stocks in EUR billions

	Net international investment position (assets-liabil.)	Total excluding Banco de España											Banco de España				
		Net position excluding Banco de España (assets - liabil.)	Direct investment			Portfolio investment			Other investment			Financial derivatives Net position (assets-liabil.)	Banco de España Net position (assets-liabil.)	Reserves	Net assets vis-à-vis the Euro-system	Other net assets (assets-liabil.) (a)	
			Net position (assets-liabil.)	Spanish investment abroad (assets)	Foreign investment in Spain (liabil.)	Net position (assets-liabil.)	Spanish investment abroad (assets)	Foreign investment in Spain (liabil.)	Net position (assets-liabil.)	Spanish investment abroad (assets)	Foreign investment in Spain (liabil.)						
	1=2+13	2=3+6+9+12	3=4-5	4	5	6=7-8	7	8	9=10-11	10	11	12	13=14 to 16	14	15	16	
04	-436.4	-504.5	-91.9	207.2	299.1	-203.2	359.3	562.5	-209.4	222.2	431.6	...	68.1	14.5	31.9	21.7	
05	-505.5	-577.2	-67.1	258.9	326.0	-273.6	454.7	728.4	-236.5	268.2	504.7	...	71.7	14.6	17.1	40.1	
06	-648.2	-743.9	-19.3	331.1	350.4	-508.9	455.7	964.6	-206.1	324.9	530.9	-9.6	95.7	14.7	29.4	51.6	
07	-822.8	-901.7	-2.6	395.4	398.0	-648.5	438.4	1 086.9	-231.8	379.5	611.3	-18.8	78.9	12.9	1.1	64.9	
08	-863.1	-914.0	1.3	424.4	423.2	-603.7	354.2	958.0	-305.1	386.6	691.8	-6.4	50.9	14.5	-30.6	67.0	
09 Q3	-973.2	-1 010.1	-14.7	430.7	445.4	-663.2	371.4	1 034.6	-327.3	364.4	691.7	-4.9	36.9	18.3	-42.6	61.2	
Q4	-982.2	-1 026.3	-4.5	434.4	438.9	-693.7	374.3	1 068.1	-327.1	369.6	696.8	-1.0	44.1	19.6	-36.4	60.9	
10 Q1	-971.9	-1 014.3	-7.0	442.0	449.0	-667.9	380.6	1 048.4	-345.2	362.4	707.5	5.7	42.4	20.9	-38.5	60.0	
Q2	-920.5	-897.1	11.4	461.7	450.3	-604.0	352.9	956.9	-316.5	370.9	687.5	12.0	-23.4	24.4	-100.8	53.1	
Q3	-977.5	-997.7	14.0	469.7	455.6	-661.9	334.3	996.1	-354.1	354.3	708.4	4.3	20.2	22.6	-54.3	51.9	
Q4	-932.0	-962.3	18.1	488.8	470.7	-637.0	312.2	949.2	-346.1	372.8	718.9	2.7	30.3	23.9	-46.1	52.5	
11 Q1	-970.5	-1 009.9	6.5	485.1	478.6	-672.4	302.2	974.6	-342.5	379.1	721.6	-1.5	39.5	23.2	-35.2	51.5	
Q2	-982.1	-1 014.2	14.7	486.8	472.1	-648.8	293.2	942.0	-379.8	382.5	762.2	-0.3	32.2	23.5	-40.6	49.3	
Q3	-979.3	-974.2	9.8	480.1	470.3	-622.3	273.5	895.7	-369.3	387.8	757.0	7.6	-5.2	27.6	-83.8	51.1	
Q4	-976.6	-895.6	12.7	496.5	483.7	-599.4	256.7	856.1	-314.8	398.3	713.2	5.9	-81.0	36.4	-170.2	52.8	
12 Q1	-967.4	-782.5	13.8	495.8	481.9	-541.4	270.9	812.3	-257.9	416.7	674.6	2.9	-184.8	36.0	-271.2	50.5	
Q2	-957.6	-642.7	9.6	494.8	485.2	-460.4	255.6	715.9	-196.6	444.8	641.4	4.6	-314.9	41.4	-403.6	47.3	
Q3	-955.7	-646.4	13.3	498.1	484.9	-485.7	254.8	740.5	-176.7	423.1	599.9	2.8	-309.3	40.2	-395.4	45.9	

INTERNATIONAL INVESTMENT POSITION



COMPONENTS OF THE POSITION



Source: BE.

Note: As from December 2002, portfolio investment data have been calculated using a new information system (see Banco de España Circular 2/2001 and note on changes introduced in the economic indicators). The incorporation of the new data under the heading 'shares and mutual funds' of other resident sectors entails a very significant break in the time series, both in the financial assets and the liabilities, so that the series have been revised back to 1992. This methodological change introduced by the new system also affects the rest of the headings, to some extent, but the effect does not justify a complete revision of the series.

a. See note b to table 17.21 of the Boletín Estadístico.

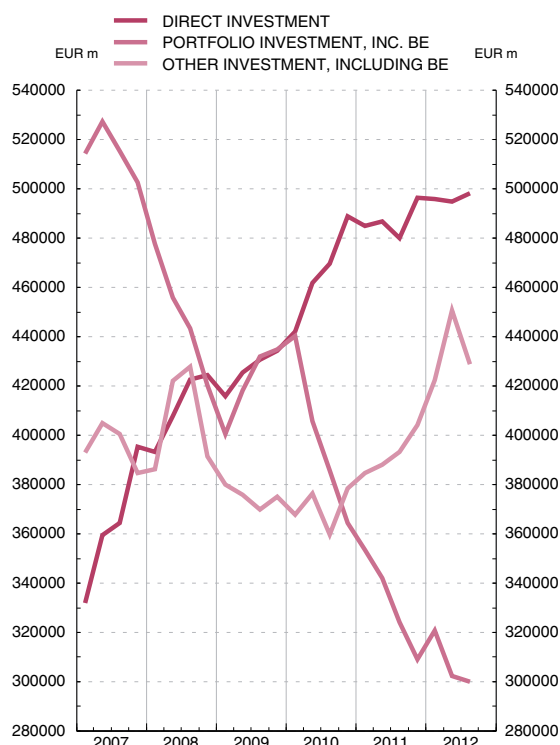
7.7. SPANISH INTERNATIONAL INVESTMENT POSITION VIS-À-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD BREAKDOWN BY INVESTMENT

■ Series depicted in chart.

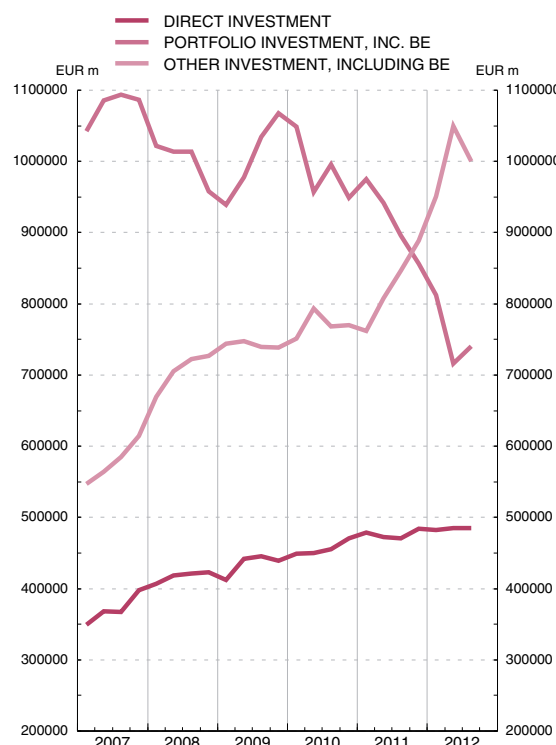
End-of-period stocks in EUR millions

	Direct investment				Portfolio investment, including Banco de España				Other investment, including Banco de España		Financial derivatives including BE	
	Spanish investment abroad		Foreign investment in Spain		Spanish investment abroad		Foreign investment in Spain		Spanish investment abroad	Foreign investment in Spain (a)	Spanish investment abroad	Foreign investment in Spain
	Shares and other equities	Intercompany debt transactions	Shares and other equities	Intercompany debt transactions	Shares and mutual funds	Debt securities	Shares and mutual funds	Debt securities				
	1	2	3	4	5	6	7	8				
04	189 622	17 627	231 649	67 501	78 053	302 067	183 210	379 279	254 992	431 651	-	-
05	236 769	22 133	250 641	75 322	104 156	388 472	197 347	531 035	287 551	504 831	-	-
06	307 902	23 206	271 313	79 125	133 193	373 001	245 683	718 897	355 621	531 211	32 973	42 569
07	368 306	27 086	307 278	90 696	132 954	369 758	282 331	804 609	384 714	614 829	44 642	63 487
08	393 430	31 011	320 664	102 489	63 146	357 229	170 143	787 812	391 414	726 987	108 278	114 027
09 Q3	397 659	33 053	327 808	117 569	71 192	360 878	218 231	816 410	369 856	739 197	85 194	90 098
Q4	404 194	30 207	327 215	111 662	78 591	356 340	222 619	845 431	375 092	738 182	77 449	78 498
10 Q1	410 886	31 119	329 495	119 466	89 281	351 097	198 588	849 822	367 808	751 222	93 867	88 286
Q2	428 422	33 277	330 794	119 457	87 320	318 420	169 657	787 204	376 389	793 369	118 304	106 522
Q3	432 291	37 369	334 435	121 181	88 694	297 029	194 290	801 837	359 704	767 878	121 434	117 049
Q4	449 956	38 847	346 360	124 308	92 373	271 994	181 491	767 728	378 390	770 241	95 116	92 459
11 Q1	446 675	38 387	356 795	121 796	92 824	260 696	204 976	769 639	384 733	762 285	80 724	82 170
Q2	447 685	39 070	355 071	117 030	91 874	250 141	194 526	747 507	388 053	807 953	83 747	84 040
Q3	435 097	44 957	356 366	113 891	78 257	245 886	159 665	736 084	393 370	846 064	134 796	127 191
Q4	446 546	49 947	364 196	119 550	77 741	231 307	164 215	691 864	404 071	888 551	140 225	134 415
12 Q1	446 978	48 789	363 117	118 829	84 338	236 428	159 815	652 497	422 448	951 092	133 237	130 209
Q2	441 634	53 144	369 632	115 579	82 246	219 972	146 541	569 375	450 530	1 050 051	153 277	148 677
Q3	444 924	53 214	374 085	110 771	86 409	213 593	165 906	574 597	428 846	1 000 307	157 193	154 374

SPANISH INVESTMENT ABROAD



FOREIGN INVESTMENT IN SPAIN



Source: BE.

Note: See footnote to Indicator 7.6

a. See note b to table 17.21 of the Boletín Estadístico.

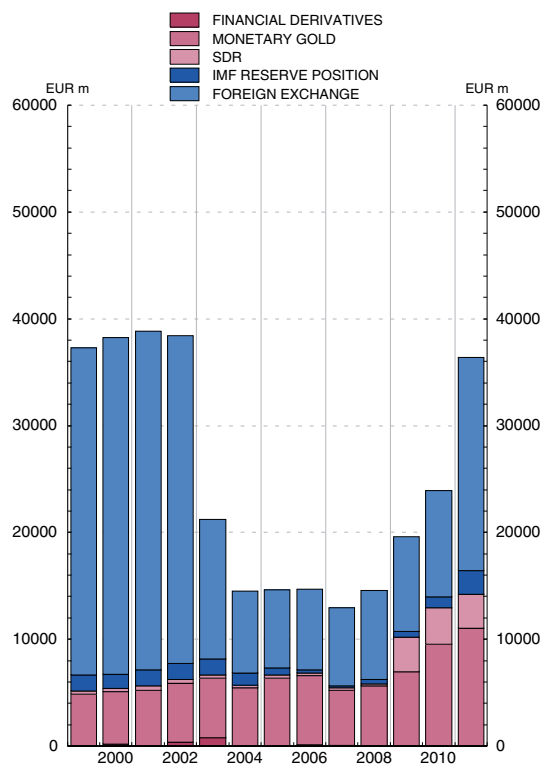
7.8. SPANISH RESERVE ASSETS

■ Series depicted in chart.

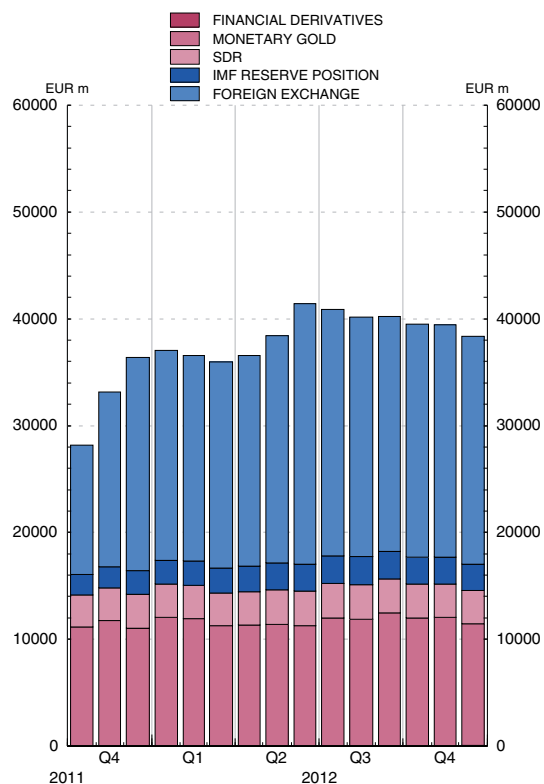
End-of-period stocks in EUR millions

	Reserve assets						Memorandum item: gold
	Total	Foreign exchange	Reserve position in the IMF	SDRs	Monetary gold	Financial derivatives	Millions of troy ounces
	1	2	3	4	5	6	7
06	14 685	7 533	303	254	6 467	127	13.4
07	12 946	7 285	218	252	5 145	46	9.1
08	14 546	8 292	467	160	5 627	-	9.1
09	19 578	8 876	541	3 222	6 938	-	9.1
10	23 905	9 958	995	3 396	9 555	-	9.1
11 Jul	25 955	10 908	1 809	2 979	10 259	-	9.1
Aug	27 004	10 878	1 796	2 958	11 373	-	9.1
Sep	27 566	11 619	1 953	3 072	10 922	-	9.1
Oct	28 197	12 124	1 913	3 010	11 150	-	9.1
Nov	33 157	16 393	1 952	3 072	11 740	-	9.1
Dec	36 402	19 972	2 251	3 163	11 017	-	9.1
12 Jan	37 017	19 620	2 233	3 139	12 025	-	9.1
Feb	36 582	19 242	2 305	3 087	11 949	-	9.1
Mar	35 977	19 312	2 312	3 095	11 258	-	9.1
Apr	36 540	19 708	2 402	3 130	11 300	-	9.1
May	38 440	21 308	2 492	3 248	11 392	-	9.1
Jun	41 430	24 409	2 508	3 226	11 287	-	9.1
Jul	40 879	23 071	2 560	3 287	11 961	-	9.1
Aug	40 184	22 459	2 619	3 232	11 875	-	9.1
Sep	40 193	21 948	2 583	3 195	12 471	-3	9.1
Oct	39 492	21 820	2 491	3 175	12 002	4	9.1
Nov	39 463	21 791	2 479	3 166	12 011	16	9.1
Dec	38 347	21 349	2 412	3 132	11 418	35	9.1

RESERVE ASSETS
END-OF-YEAR POSITIONS



RESERVE ASSETS
END-OF-MONTH POSITIONS



Source: BE.

Note: From January 1999 the assets denominated in euro and other currencies vis-à-vis residents of other euro area countries are not considered reserve assets. To December 1998, data in pesetas have been converted to euro using the irrevocable euro conversion rate. Since January 1999, all reserve assets are valued at market prices. As of January 2000 reserve assets data have been compiled in accordance with the IMF's new methodological guidelines published in the document 'International Reserves and Foreign

Currency Liquidity

Guidelines for a Data Template', October 2001 (<http://dsbb.imf.org/Applications/web/sddsguide>). Using this new definition, total reserve assets as at 31.12.99 would have been EUR 37835 million instead of the amount of EUR 37288 million published in this table.

7.9. SPANISH EXTERNAL DEBT VIS-À-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. SUMMARY

End-of-period positions								EUR millions				
	Total	General government						Other monetary financial institutions				
		Total	Short-term		Long-term			Total	Short-term		Long-term	
			Money market instruments	Loans	Bonds and notes	Loans	Trade credits		Money market instruments	Deposits	Bonds and notes	Deposits
	1	2	3	4	5	6	7	8	9	10	11	12
08 Q3	1 690 245	217 747	9 722	494	187 624	19 907	-	792 491	21 269	400 051	258 393	112 778
Q4	1 672 021	233 754	12 480	2 099	198 366	20 810	-	766 311	12 224	400 691	249 209	104 187
09 Q1	1 699 703	243 632	15 801	480	204 677	22 675	-	784 094	15 149	411 446	248 803	108 696
Q2	1 722 777	257 152	21 125	979	211 224	23 825	-	786 229	14 200	409 692	251 975	110 363
Q3	1 732 303	276 333	31 005	709	219 260	25 359	-	770 038	14 217	391 123	257 026	107 671
Q4	1 757 372	299 770	44 479	532	229 085	25 674	-	782 873	14 903	384 509	260 304	123 157
10 Q1	1 781 635	317 496	51 896	114	238 846	26 640	-	789 869	16 641	399 817	256 338	117 073
Q2	1 762 144	292 971	39 698	192	224 769	28 312	-	741 796	12 157	378 888	239 162	111 589
Q3	1 747 828	303 836	39 437	932	234 437	29 031	-	758 152	10 926	396 110	242 943	108 173
Q4	1 718 341	289 348	36 629	976	220 521	31 221	-	759 633	9 910	413 379	238 061	98 283
11 Q1	1 710 877	292 036	37 875	485	221 838	31 838	-	764 176	10 640	395 695	239 222	118 619
Q2	1 733 641	286 215	37 245	7	215 762	33 201	-	795 343	7 554	425 267	234 487	128 035
Q3	1 761 289	293 520	36 605	507	222 641	33 766	-	771 984	6 211	402 061	227 294	136 418
Q4	1 759 003	275 629	28 545	428	211 918	34 738	-	715 320	3 494	362 532	218 539	130 755
12 Q1	1 782 022	256 576	23 731	4	192 006	40 834	-	655 508	3 341	311 819	205 088	135 259
Q2	1 795 339	238 647	16 369	70	175 944	46 264	-	590 304	2 749	273 422	178 630	135 504
Q3	1 750 268	255 632	20 961	325	187 980	46 365	-	541 812	1 677	237 643	171 721	130 771

7.9. (CONT.) SPANISH EXTERNAL DEBT VIS-À-VIS OTHER EURO AREA RESIDENTS AND THE REST OF THE WORLD. SUMMARY

End-of-period positions										EUR millions		
Monetary authority		Other residents sectors								Direct investment		
Total	Short-term	Total	Short-term			Long-term				Total	Vis-à-vis	
	Deposits		Money market instruments	Loans	Other liabilities	Bonds and notes	Loans	Trade credits	Other liabilities		Direct investors	Subsidiaries
(a)	14	15	16	17	18	19	20	21	22	23	24	25
08 Q3	24 276	24 276	501 587	18 093	25 024	1 342	318 792	136 110	362	1 865	154 144	91 585
Q4	35 233	35 233	479 500	13 329	22 307	2 668	302 204	136 854	361	1 777	157 222	92 080
09 Q1	32 491	32 491	480 593	20 122	19 430	3 275	292 216	143 518	393	1 639	158 893	88 918
Q2	35 596	35 596	468 268	18 969	17 448	2 416	282 343	145 040	385	1 667	175 532	84 836
Q3	47 538	47 538	461 698	13 249	16 429	2 552	281 652	145 875	419	1 522	176 696	86 854
Q4	41 400	41 400	459 569	18 059	14 269	2 375	278 601	144 393	419	1 454	173 759	99 908
10 Q1	43 673	43 673	450 007	14 758	13 975	3 179	271 344	145 054	424	1 273	180 591	110 521
Q2	105 881	105 881	439 926	12 714	16 600	4 462	258 705	145 842	432	1 172	181 571	113 998
Q3	59 477	59 477	448 250	14 032	16 737	4 762	260 062	151 103	421	1 134	178 113	110 408
Q4	51 323	51 323	437 665	11 929	16 847	4 284	250 678	152 274	422	1 231	180 373	112 728
11 Q1	40 665	40 665	435 046	11 724	18 154	3 818	248 339	151 204	415	1 391	178 954	111 273
Q2	45 732	45 732	428 170	11 840	18 244	4 192	240 618	151 864	414	997	178 180	109 791
Q3	89 019	89 019	427 625	7 466	19 181	6 433	235 866	157 263	420	997	179 142	111 282
Q4	175 360	175 360	414 106	5 300	19 712	6 544	224 068	157 152	423	907	178 589	108 884
12 Q1	276 496	276 496	415 009	8 530	19 459	6 699	219 800	158 906	420	1 194	178 433	108 824
Q2	408 695	408 695	381 781	5 684	17 887	6 826	189 999	159 694	493	1 196	175 913	106 570
Q3	400 455	400 455	377 005	4 276	16 931	7 388	187 981	158 742	491	1 196	175 363	106 427

Source: BE.

a. See note b to table 17.21 of the Boletín Estadístico.

8.1.a CONSOLIDATED BALANCE SHEET OF THE EUROSISTEM. NET LENDING TO CREDIT INSTITUTIONS AND ITS COUNTERPARTS

Average of daily data, EUR millions

	Net lending in euro						Counterparts						
Total	Open market operations				Standing facilities		Autonomous factors					Actual reserves of credit institutions	
	Main refinancing operations	Longer-term refinancing operations	Fine-tuning reverse operations (net)	Structural reverse operations (net)	Marginal lending facility	Deposit facility	Total	Bank-notes	Deposits to general government	Gold and net assets in foreign currency	Other assets (net)		
1=2+3+4+5+6-7	2	3	4	5	6	7	8=9+10-11-12	9	10	11	12	13	
11 Jun	431 648	134 617	315 438	-1 346	-	158	17 219	217 454	842 535	75 422	528 083	172 420	214 194
Jul	428 135	155 735	314 193	-3 563	-	123	38 354	218 792	851 836	74 499	541 021	166 522	209 343
Aug	415 158	152 276	371 089	-6 310	-	467	102 365	198 249	854 163	56 888	540 662	172 140	216 908
Sep	385 451	159 698	379 582	-7 589	-	613	146 852	184 329	852 472	47 300	543 854	171 590	201 122
Oct	381 055	201 431	381 245	-13 039	-	2 860	191 442	166 392	858 960	57 290	611 521	138 337	214 663
Nov	373 525	214 687	393 440	-12 911	-	2 392	224 082	157 921	865 195	62 105	614 105	155 275	215 605
Dec	394 459	229 993	481 184	-5 277	-	7 807	319 248	175 162	882 268	60 738	657 215	110 629	219 297
12 Jan	356 284	126 500	698 255	-	-	3 707	472 178	211 324	875 501	94 231	695 754	62 654	144 961
Feb	322 045	128 613	663 720	6 376	-	1 683	478 347	215 315	868 647	106 706	700 664	59 374	106 730
Mar	361 695	40 792	1 096 956	-	-	3 718	779 771	249 711	868 490	142 720	672 633	88 867	111 984
Apr	382 712	55 069	1 090 965	-	-	1 066	764 388	272 458	873 353	148 188	660 168	88 915	110 253
May	347 195	40 063	1 076 812	0	-	1 644	771 324	229 927	876 907	116 280	656 995	106 265	117 268
Jun	437 789	132 691	1 069 309	0	-	2 003	766 215	328 135	888 832	131 374	659 454	32 617	109 653
Jul	743 701	156 106	1 080 565	0	-	817	493 787	372 135	896 182	134 906	678 366	-19 413	371 566
Aug	885 372	131 936	1 076 236	-	-	833	323 633	347 038	898 561	115 828	678 405	-11 054	538 334
Sep	876 292	124 884	1 069 567	-	-	1 013	319 173	332 823	893 288	95 737	670 651	-14 449	543 469
Oct	885 514	92 494	1 057 904	-	-	1 324	266 209	352 304	890 571	101 249	708 573	-69 057	533 210
Nov	884 798	77 694	1 046 596	-	-	1 358	240 850	362 981	888 224	108 633	708 113	-74 237	521 816

8.1.b BALANCE SHEET OF THE BANCO DE ESPAÑA. NET LENDING TO CREDIT INSTITUTIONS AND ITS COUNTERPARTS

Average of daily data, EUR millions

	Net lending in euro							Counterparts							
Total	Open market operations				Standing facilities		Intra-ESCB		Autonomous factors					Actual reserves of credit institutions	
	Main refinancing operations	Longer-term refinancing operations	Fine-tuning reserve operations (net)	Structural reserve operations (net)	Marginal lending facility	Deposit facility	Target	Rest	Total	Bank-notes	Deposits to general government	Gold and net assets in foreign currency	Other assets (net)		
	14=15+16+17+18+19-20	15	16	17	18	19	20	21	22	23=24+25-26-27	24	25	26		27	28
11 Jun	47 777	11 506	37 949	-127	-	40	1 591	47 536	-5 585	-17 618	71 283	9 185	19 886	78 200	23 444
Jul	52 053	21 686	35 678	-206	-	74	5 179	53 344	-5 585	-20 478	71 836	6 329	21 185	77 459	24 772
Aug	69 918	36 767	44 840	-435	-	51	11 304	69 880	-5 585	-18 545	70 845	11 743	21 543	79 590	24 169
Sep	69 299	32 965	46 394	-225	-	0	9 835	82 810	-5 585	-30 491	68 987	8 879	21 636	86 721	22 565
Oct	76 048	43 185	42 994	-461	-	0	9 670	93 640	-5 585	-36 331	68 456	5 754	24 147	86 395	24 324
Nov	97 970	54 449	51 831	-465	-	110	7 956	119 540	-5 585	-38 879	67 709	8 302	26 705	88 185	22 894
Dec	118 861	47 109	85 302	1 976	-	395	15 921	150 831	-5 604	-50 033	69 568	5 016	33 204	91 414	23 668
12 Jan	133 177	6 445	154 976	-0	-	-	28 244	175 940	-5 724	-53 051	68 708	5 847	37 116	90 489	16 012
Feb	152 432	17 505	152 297	2 293	-	1	19 665	196 896	-5 724	-49 527	67 114	10 035	37 120	89 556	10 787
Mar	227 600	1 037	315 306	-	-	-	88 742	252 097	-5 724	-30 159	66 912	24 829	35 054	86 847	11 386
Apr	263 535	1 781	315 153	-	-	5	53 404	284 549	-5 724	-26 953	67 161	24 159	32 986	85 287	11 662
May	287 813	9 204	315 438	-	-	-	36 829	318 594	-5 724	-36 857	67 030	11 226	32 912	82 200	11 800
Jun	337 206	44 961	320 036	-	-	0	27 792	371 808	-5 724	-40 468	70 049	7 284	35 954	81 846	11 589
Jul	375 549	69 338	332 847	-	-	-	26 636	414 619	-5 724	-45 373	71 589	5 319	42 439	79 842	12 027
Aug	388 736	74 115	337 539	-	-	-	22 918	428 617	-5 724	-46 154	71 144	6 424	43 110	80 611	11 997
Sep	378 176	70 818	329 109	-	-	-	21 751	419 847	-5 724	-47 776	69 114	4 036	41 785	79 142	11 829
Oct	341 601	47 426	319 508	-	-	0	25 333	383 605	-5 724	-48 108	67 482	4 408	40 945	79 053	11 827
Nov	340 835	44 292	320 567	-	-	-	24 024	376 268	-5 724	-43 004	65 376	10 766	41 360	77 785	13 295

Sources: ECB for Table 8.1.a and BE for Table 8.1.b.

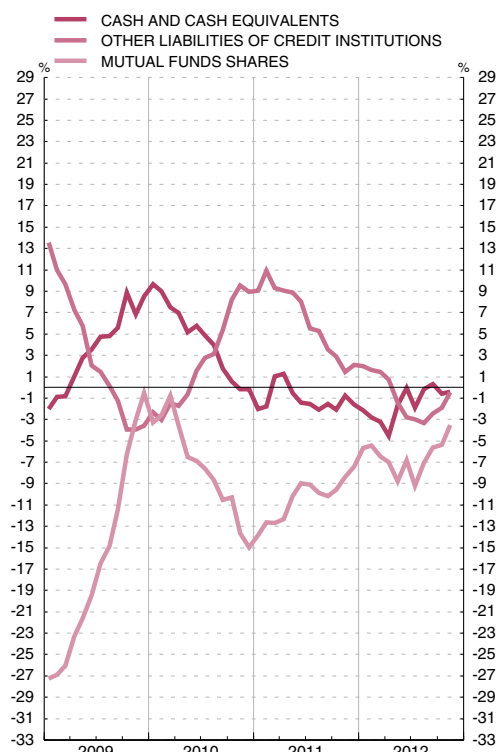
8.2 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF NON-FINANCIAL CORPORATIONS, HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

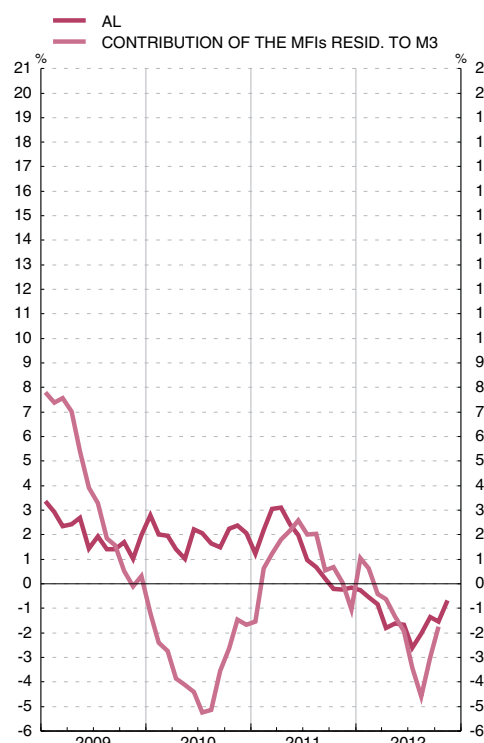
EUR millions and %

	Cash and cash equivalents				Other liabilities of credit institutions					Mutual funds shares				Memorandum items	
	Stocks	12-month % change	12-m. % change		Stocks	12 month % change	12-month % change			Stocks	12-month % change	12-month % change		12-month % change	
			Cash	Deposits (b)			Other deposits (c)	Repos + credit institutions' securities	Deposits in branches abroad			Fixed income in EUR (d)	Other	AL (e)	Contribution of the MFIs resid. to M3
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
09	519 298	8.5	0.6	10.6	527 317	-3.6	-1.3	-19.6	-39.8	146 214	-0.6	1.1	-2.4	2.0	0.3
10	518 340	-0.2	-0.3	-0.1	574 516	9.0	6.4	48.5	-22.2	124 357	-14.9	-29.5	1.6	2.1	-1.7
11	509 981	-1.6	-1.9	-1.5	586 729	2.1	-2.3	46.9	-28.9	115 157	-7.4	-10.3	-5.1	-0.2	-1.1
11 Aug	506 611	-2.1	-2.7	-1.9	581 123	5.3	4.5	17.6	-24.0	119 785	-9.9	-17.4	-3.4	0.7	2.0
Sep	502 786	-1.5	-2.1	-1.4	579 300	3.5	2.9	12.4	-14.3	117 938	-10.2	-15.8	-5.4	0.2	0.5
Oct	495 731	-2.1	-2.0	-2.1	580 824	2.9	0.8	27.1	-13.8	118 090	-9.6	-14.3	-5.8	-0.2	0.7
Nov	500 118	-0.8	-1.6	-0.6	579 399	1.5	-1.6	33.5	-20.1	115 330	-8.4	-12.8	-4.7	-0.2	0.1
Dec	509 981	-1.6	-1.9	-1.5	586 729	2.1	-2.3	46.9	-28.9	115 157	-7.4	-10.3	-5.1	-0.2	-1.1
12 Jan	493 713	-2.2	-2.3	-2.1	584 911	2.0	-3.1	56.6	-31.7	117 838	-5.7	-6.3	-5.2	-0.3	1.0
Feb	492 086	-2.8	-2.4	-2.9	588 655	1.7	-3.5	55.9	-33.9	118 876	-5.4	-3.2	-7.1	-0.5	0.6
Mar	497 887	-3.2	-1.8	-3.5	587 889	1.5	-3.8	56.9	-39.0	117 185	-6.5	-3.3	-8.7	-0.8	-0.4
Apr	488 967	-4.5	-2.1	-5.1	581 579	0.7	-4.7	56.6	-37.6	115 973	-7.0	-2.7	-10.0	-1.8	-0.6
May	501 135	-1.7	0.9	-2.3	573 147	-1.5	-6.9	53.8	-36.2	112 559	-8.8	-2.7	-13.1	-1.6	-1.3
Jun	523 156	-0.1	3.4	-0.9	568 228	-2.8	-8.4	53.2	-32.5	113 414	-6.8	-4.9	-8.2	-1.7	-1.9
Jul	505 683	-1.9	3.6	-3.2	562 600	-3.0	-9.2	57.9	-13.9	110 134	-9.2	-5.4	-11.9	-2.6	-3.4
Aug P	505 817	-0.2	4.4	-1.2	561 548	-3.4	-9.6	56.4	-9.9	111 361	-7.0	-5.4	-8.2	-2.0	-4.6
Sep P	504 323	0.3	2.9	-0.3	565 214	-2.4	-8.8	59.6	-11.8	111 329	-5.6	-5.5	-5.7	-1.4	-3.0
Oct P	492 761	-0.6	1.5	-1.1	569 758	-1.9	-6.3	35.5	-10.9	111 724	-5.4	-6.4	-4.6	-1.5	-1.8
Nov P	498 165	-0.4	-1.5	-0.1	576 781	-0.5	-2.9	17.4	-10.2	111 239	-3.5	-6.1	-1.7	-0.7	...

NON-FINANCIAL CORPORATIONS, HOUSEHOLDS AND NPISHS
Annual percentage change



NON-FINANCIAL CORPORATIONS, HOUSEHOLDS AND NPISHS
Annual percentage change



Source: BE.

a. This concept refers to the instruments included in the headings of the table, issued by resident credit institutions and mutual funds. The exception is column 9, which includes deposits in Spanish bank branches abroad.

b. Current accounts, savings accounts and deposits redeemable at up to 3 months' notice.

c. Deposits redeemable at over 3 months' notice and time deposits.

d. The series includes the old categories of Money market funds and Fixed income mutual funds in euros.

e. Defined as cash and cash equivalents, other liabilities of credit institutions and Fixed income mutual funds shares in euros.

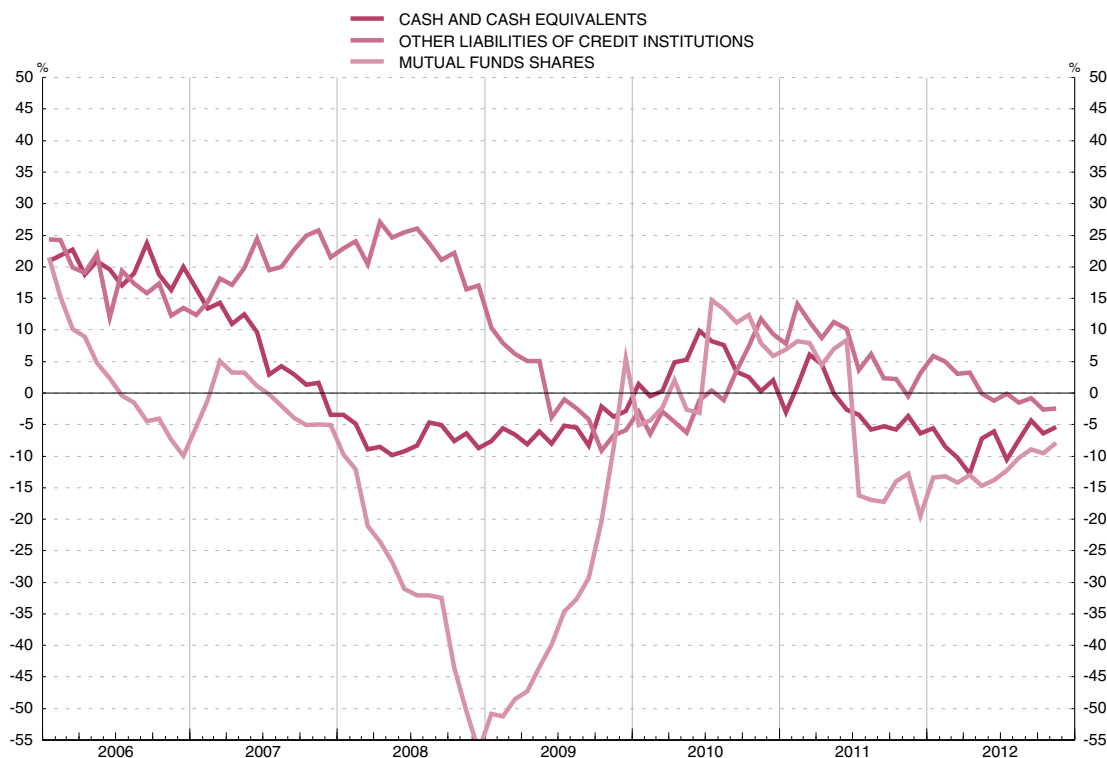
8.3 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF NON-FINANCIAL CORPORATIONS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

EUR millions and %

	Cash and cash equivalents (b)		Other liabilities of credit institutions				Mutual funds shares			
	Stocks	Annual growth rate	Stocks	Annual growth rate	Annual growth rate		Stocks	Annual growth rate	Annual growth rate	
					Other deposits (c)	Repos + credit instit. securit. + dep. in branches abroad			Fixed income in EUR (d)	Other
	1	2	3	4	5	6	7	8	9	10
09	117 386	-2.8	113 319	-5.9	9.2	-39.9	11 475	5.5	1.0	10.8
10	119 757	2.0	123 882	9.3	6.1	22.6	12 153	5.9	-9.4	22.1
11	112 152	-6.4	127 802	3.2	-10.9	52.7	9 780	-19.5	-22.4	-17.2
11 Aug	114 506	-5.7	121 571	6.1	1.3	26.3	11 142	-17.0	-24.1	-10.9
Sep	112 031	-5.3	121 369	2.3	-1.9	19.0	10 970	-17.3	-22.6	-12.8
Oct	108 693	-5.8	121 609	2.2	-6.4	37.0	10 984	-14.0	-18.1	-10.6
Nov	111 426	-3.7	122 806	-0.5	-11.0	37.1	10 727	-12.8	-16.7	-9.6
Dec	112 152	-6.4	127 802	3.2	-10.9	52.7	9 780	-19.5	-22.4	-17.2
12 Jan	106 399	-5.6	125 542	5.9	-10.8	69.4	10 589	-13.4	-11.1	-15.1
Feb	106 957	-8.5	126 853	4.9	-11.0	64.5	10 680	-13.2	-8.2	-16.8
Mar	108 838	-10.3	126 093	3.0	-13.3	62.5	10 527	-14.2	-8.4	-18.3
Apr	103 224	-12.8	123 838	3.3	-14.0	65.3	10 531	-13.0	-6.6	-17.6
May	109 824	-7.2	122 195	-0.1	-17.8	63.1	10 226	-14.7	-6.6	-20.5
Jun	114 405	-6.1	122 565	-1.2	-19.6	63.6	10 185	-13.8	-10.1	-16.5
Jul	103 592	-10.6	119 395	-0.1	-20.1	68.5	9 891	-12.3	-5.8	-17.0
Aug P	106 007	-7.4	119 663	-1.6	-20.6	61.9	9 996	-10.3	-5.9	-13.5
Sep P	107 145	-4.4	120 366	-0.8	-19.9	61.4	9 994	-8.9	-5.9	-11.1
Oct P	101 770	-6.4	118 365	-2.7	-17.4	37.8	9 931	-9.6	-8.1	-10.7
Nov P	105 384	-5.4	119 791	-2.5	-11.5	18.7	9 877	-7.9	-7.9	-7.9

NON-FINANCIAL CORPORATIONS Annual percentage change



Source: BE.

a. This concept refers to the instruments included in the headings of the table, issued by resident credit institutions and mutual funds. The exception is column 6, which includes deposits in Spanish bank branches abroad.

b. Cash, current accounts, savings accounts and deposits redeemable at up to and including 3 months' notice.

c. Deposits redeemable at over 3 months' notice and time deposits.

d. The series includes the old categories of Money market funds and Fixed income mutual funds in euros.

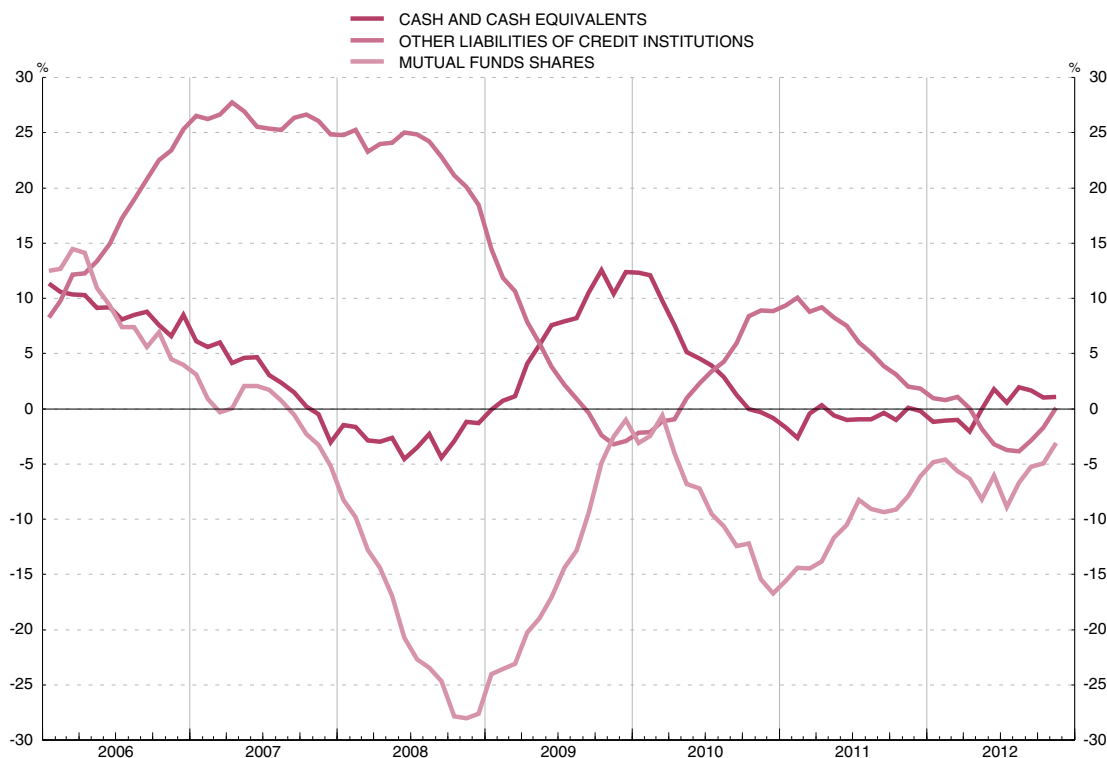
8.4 CASH AND CASH EQUIVALENTS, OTHER LIABILITIES OF CREDIT INSTITUTIONS AND MUTUAL FUNDS SHARES OF HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

EUR millions and %

	Cash and cash equivalents				Other liabilities of credit institutions				Mutual funds shares			
	Stocks	Annual growth rate	Annual growth rate		Stocks	Annual growth rate	Annual growth rate		Stocks	Annual growth rate	Annual growth rate	
			Cash	Deposits (b)			Other deposits (c)	Repos + credit instit. securit. + dep. in branches abroad			Fixed income in EUR (d)	Other
	1	2	3	4	5	6	7	8	9	10	11	12
09	401 912	12.4	3.5	15.3	413 999	-2.9	-3.5	8.2	134 738	-1.0	1.1	-3.4
10	398 582	-0.8	-1.8	-0.5	450 634	8.8	6.5	53.9	112 204	-16.7	-31.1	-0.2
11	397 829	-0.2	-1.2	0.1	458 927	1.8	-0.3	29.8	105 377	-6.1	-8.9	-3.8
11 Aug	392 104	-0.9	-2.4	-0.5	459 552	5.1	5.2	3.4	108 643	-9.1	-16.7	-2.5
Sep	390 755	-0.4	-1.7	0.0	457 931	3.9	4.0	2.3	106 968	-9.4	-15.1	-4.6
Oct	387 038	-1.0	-1.5	-0.8	459 215	3.1	2.4	12.5	107 106	-9.1	-13.9	-5.2
Nov	388 693	0.1	-1.0	0.4	456 593	2.0	0.6	21.1	104 603	-7.9	-12.4	-4.2
Dec	397 829	-0.2	-1.2	0.1	458 927	1.8	-0.3	29.8	105 377	-6.1	-8.9	-3.8
12 Jan	387 314	-1.2	-1.6	-1.0	459 370	1.0	-1.4	32.6	107 249	-4.8	-5.7	-4.1
Feb	385 129	-1.1	-1.7	-0.9	461 802	0.8	-1.8	35.4	108 195	-4.6	-2.6	-6.0
Mar	389 049	-1.0	-1.2	-1.0	461 796	1.1	-1.6	36.1	106 658	-5.6	-2.8	-7.7
Apr	385 743	-2.0	-1.5	-2.2	457 742	0.0	-2.6	35.0	105 443	-6.3	-2.3	-9.2
May	391 310	-0.0	1.4	-0.5	450 951	-1.8	-4.4	32.4	102 333	-8.2	-2.3	-12.4
Jun	408 751	1.8	3.8	1.2	445 662	-3.2	-5.9	31.7	103 229	-6.1	-4.4	-7.3
Jul	402 090	0.6	4.0	-0.4	443 205	-3.7	-6.9	39.3	100 243	-8.9	-5.3	-11.4
Aug P	399 810	2.0	4.7	1.2	441 885	-3.8	-7.2	42.4	101 365	-6.7	-5.4	-7.7
Sep P	397 178	1.6	3.2	1.2	444 848	-2.9	-6.4	47.3	101 335	-5.3	-5.4	-5.1
Oct P	390 992	1.0	1.8	0.8	451 394	-1.7	-4.0	27.3	101 793	-5.0	-6.2	-4.0
Nov P	392 781	1.1	-1.2	1.7	456 990	0.1	-1.1	13.1	101 361	-3.1	-5.9	-1.0

HOUSEHOLDS AND NPISH Annual percentage change



Source: BE.

a. This concept refers to the instruments included in the headings of the table, issued by resident credit institutions and mutual funds. The exception is column 6, which includes deposits in Spanish bank branches abroad.

b. Current accounts, savings accounts and deposits redeemable at up to 3 months' notice.

c. Deposits redeemable at over 3 months' notice and time deposits.

d. The series includes the old categories of Money market funds and Fixed income mutual funds in euros.

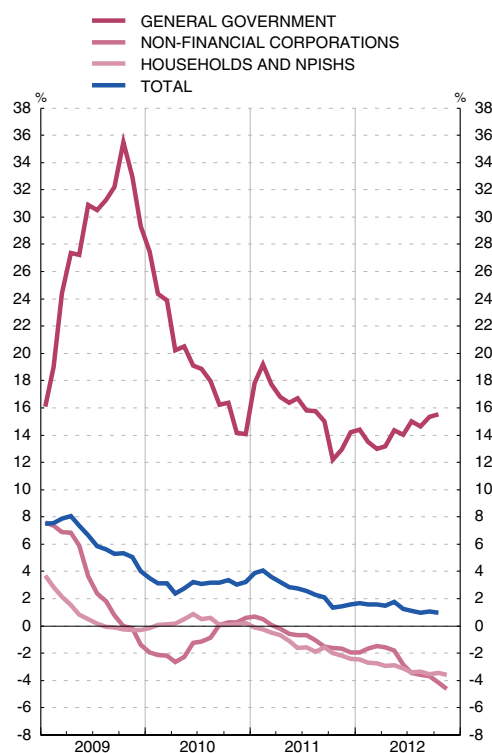
8.5. FINANCING OF NON-FINANCIAL SECTORS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

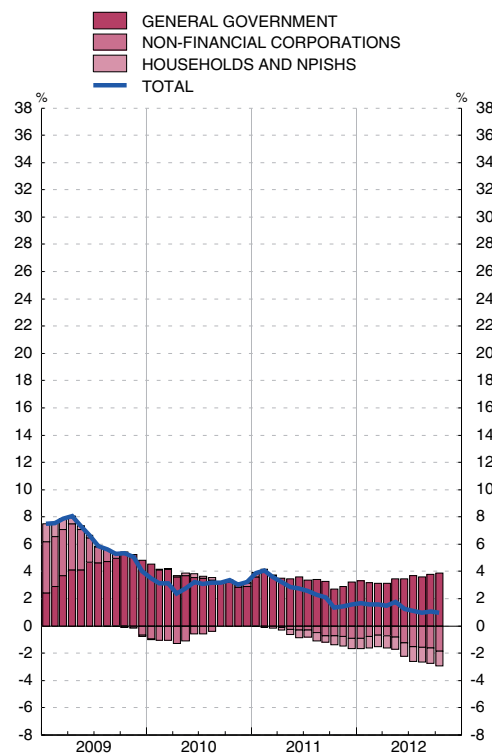
EUR millions and %

	Total			Annual growth rate							Contribution to col. 3						
	Stocks	Effective flow	Annual growth rate	General government (b)	Non-financial corp. and households and NPISHs						General government (b)	Non-financial corp. and households and NPISHs					
					By sectors			By instruments									
					Non-financial corporations	Households and NPISHs	Credit institutions' loans & securit. funds	Securities other than shares	External loans	Non-financial corporations		Households and NPISHs	Credit institutions' loans & securit. funds	Securities other than shares	External loans		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
09	2 767 031	107 128	4.0	29.3	-0.9	-1.4	-0.3	-2.0	36.3	0.4	4.8	-0.8	-0.7	-0.1	-1.4	0.5	0.1
10	2 844 462	89 200	3.2	14.1	0.4	0.6	0.2	-0.4	10.6	3.4	2.9	0.3	0.3	0.1	-0.3	0.2	0.4
11	2 862 714	44 885	1.6	14.2	-2.1	-2.0	-2.4	-3.3	7.6	2.4	3.2	-1.6	-0.9	-0.8	-2.1	0.2	0.3
11 Aug	2 840 299	-14 697	2.3	15.8	-1.4	-1.1	-1.9	-2.5	6.8	2.7	3.4	-1.1	-0.5	-0.6	-1.6	0.1	0.3
Sep	2 853 203	14 514	2.1	15.0	-1.5	-1.5	-1.5	-2.6	7.0	2.6	3.3	-1.2	-0.7	-0.5	-1.7	0.1	0.3
Oct	2 843 413	-4 732	1.3	12.2	-1.8	-1.6	-2.0	-2.8	5.4	2.6	2.7	-1.4	-0.7	-0.6	-1.8	0.1	0.3
Nov	2 860 709	17 249	1.4	12.9	-1.9	-1.7	-2.2	-3.0	4.8	2.6	2.9	-1.5	-0.8	-0.7	-1.9	0.1	0.3
Dec	2 862 714	5 595	1.6	14.2	-2.1	-2.0	-2.4	-3.3	7.6	2.4	3.2	-1.6	-0.9	-0.8	-2.1	0.2	0.3
12 Jan	2 870 471	6 227	1.7	14.4	-2.2	-2.0	-2.5	-3.4	8.6	2.2	3.3	-1.7	-0.9	-0.8	-2.1	0.2	0.3
Feb	2 878 747	9 616	1.6	13.5	-2.1	-1.7	-2.7	-3.3	8.8	2.2	3.2	-1.6	-0.7	-0.8	-2.1	0.2	0.3
Mar	2 886 278	6 215	1.6	13.0	-2.0	-1.5	-2.7	-3.4	11.1	2.8	3.1	-1.5	-0.7	-0.8	-2.1	0.2	0.3
Apr	2 872 928	-10 434	1.5	13.2	-2.1	-1.6	-2.9	-3.5	8.2	2.6	3.1	-1.6	-0.7	-0.9	-2.1	0.2	0.3
May	2 884 280	8 946	1.8	14.3	-2.2	-1.8	-2.9	-3.6	7.1	2.8	3.5	-1.7	-0.8	-0.9	-2.2	0.2	0.3
Jun	2 893 113	8 454	1.2	14.0	-3.0	-2.8	-3.1	-4.1	9.1	0.7	3.5	-2.2	-1.3	-1.0	-2.5	0.2	0.1
Jul	P 2 876 387	-15 599	1.1	15.0	-3.4	-3.4	-3.4	-4.6	8.8	0.3	3.7	-2.6	-1.5	-1.1	-2.8	0.2	0.0
Aug	P 2 857 514	-18 598	1.0	14.6	-3.5	-3.6	-3.4	-4.6	8.6	0.1	3.6	-2.6	-1.6	-1.0	-2.8	0.2	0.0
Sep	P 2 870 613	17 886	1.1	15.3	-3.6	-3.7	-3.6	-4.7	9.5	-0.6	3.8	-2.7	-1.6	-1.1	-2.9	0.2	-0.1
Oct	P 2 858 112	-8 505	1.0	15.5	-3.9	-4.2	-3.5	-5.1	13.0	-0.9	3.9	-2.9	-1.8	-1.1	-3.1	0.3	-0.1
Nov	P				-4.2	-4.6	-3.6	-5.4	13.3	-1.5							

FINANCING OF NON-FINANCIAL SECTORS
Annual percentage change



FINANCING OF NON-FINANCIAL SECTORS
Contributions to the annual percentage change



Source: BE.

a. The annual percentage changes are calculated as the effective flow of the period / the stock at the beginning of the period.

b. Total liabilities (consolidated). Inter-general government liabilities are deduced.

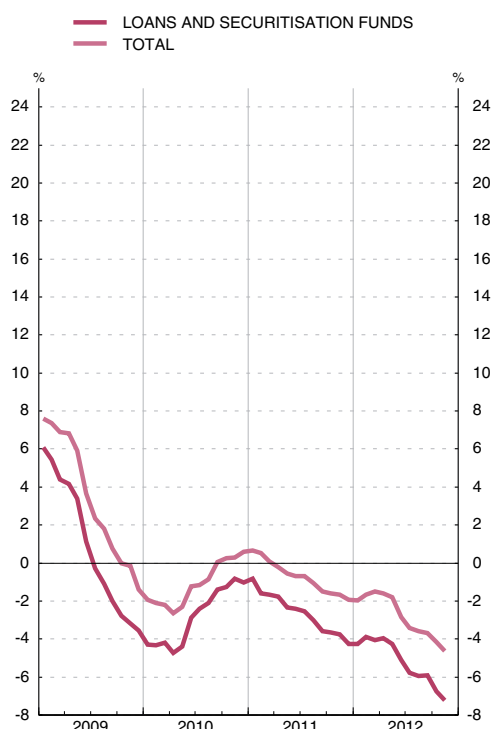
8.6. FINANCING OF NON-FINANCIAL CORPORATIONS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

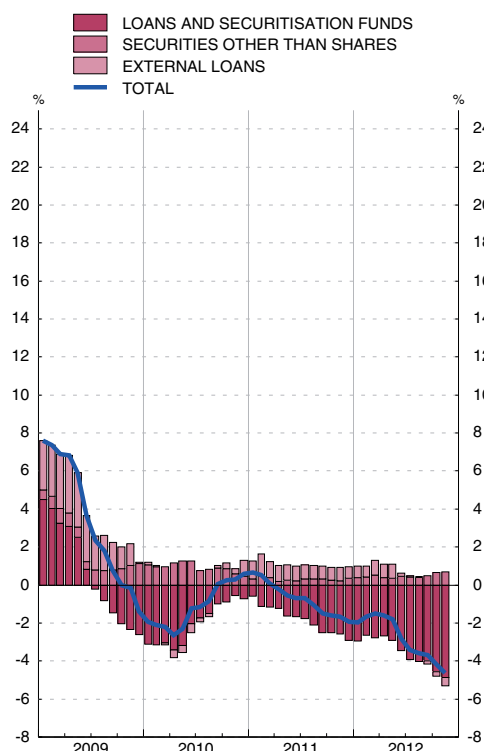
EUR millions and %

	Total			Resident credit institutions' loans and off-balance-sheet securitised loans			Securities other than shares (b)				External loans			Memorandum items: off-balance-sheet securitised loans
	Stocks	Effective flow	Annual growth rate	Stocks	Annual growth rate	Contribution to col.3	of which		Annual growth rate	Contribution to col.3	Stocks	Annual growth rate	Contribution to col.3	
	1	2	3	4	5	6	Stocks	Issues by resident financ. subsid.	9	10	11	12	13	14
09	1 298 607	-18 104	-1.4	914 902	-3.6	-2.6	54 618	40 095	36.3	1.1	329 086	0.4	0.1	1 256
10	1 301 625	7 475	0.6	895 918	-1.0	-0.7	60 408	46 895	10.6	0.4	345 298	3.3	0.8	1 581
11	1 255 286	-25 410	-2.0	840 887	-4.2	-2.9	64 988	50 867	7.6	0.4	349 411	2.3	0.6	1 332
11 Aug	1 262 729	-9 969	-1.1	852 995	-3.0	-2.1	63 125	49 002	6.8	0.3	346 610	2.7	0.7	1 328
Sep	1 267 003	5 163	-1.5	852 340	-3.6	-2.5	63 927	49 802	7.0	0.3	350 737	2.5	0.7	1 212
Oct	1 262 877	482	-1.6	850 978	-3.6	-2.5	64 061	49 985	5.4	0.3	347 838	2.5	0.7	1 294
Nov	1 264 904	1 477	-1.7	849 929	-3.7	-2.6	64 424	50 363	4.8	0.2	350 551	2.6	0.7	1 275
Dec	1 255 286	-7 109	-2.0	840 887	-4.2	-2.9	64 988	50 867	7.6	0.4	349 411	2.3	0.6	1 332
12 Jan	1 253 690	-3 711	-2.0	835 814	-4.3	-2.9	65 338	51 080	8.6	0.4	352 538	2.2	0.6	1 325
Feb	1 253 971	1 313	-1.7	831 018	-3.9	-2.7	67 818	53 296	8.8	0.4	355 134	2.1	0.6	1 172
Mar	1 252 625	-1 996	-1.5	828 598	-4.1	-2.8	69 140	54 320	11.1	0.5	354 886	2.8	0.7	1 143
Apr	1 248 808	-2 051	-1.6	825 581	-3.9	-2.7	67 923	53 166	8.2	0.4	355 304	2.6	0.7	1 172
May	1 244 955	-6 544	-1.8	819 091	-4.3	-2.9	68 557	53 979	7.1	0.4	357 307	2.8	0.8	1 147
Jun	1 232 761	-13 290	-2.8	812 314	-5.1	-3.5	68 803	53 606	9.1	0.5	351 644	0.6	0.2	1 164
Jul	P 1 224 756	-7 392	-3.4	804 701	-5.8	-3.9	68 891	53 854	8.8	0.4	351 163	0.2	0.1	1 120
Aug	P 1 212 774	-11 475	-3.6	792 990	-5.9	-4.0	68 557	53 546	8.6	0.4	351 227	0.0	0.0	1 099
Sep	P 1 212 696	3 775	-3.7	792 423	-5.9	-4.0	69 978	55 041	9.5	0.5	350 295	-0.6	-0.2	1 115
Oct	P 1 203 510	-5 491	-4.2	784 103	-6.7	-4.5	72 366	56 616	13.0	0.7	347 040	-1.0	-0.3	1 066
Nov	P 1 198 404	-4 442	-4.6	779 014	-7.2	-4.9	73 017	56 076	13.3	0.7	346 372	-1.6	-0.4	1 047

FINANCING OF NON-FINANCIAL CORPORATIONS
Annual percentage change



FINANCING OF NON-FINANCIAL CORPORATIONS
Contributions to the annual percentage change



Source: BE.

a. The annual percentage changes are calculated as the effective flow of the period / the stock at the beginning of the period.

b. Includes issues of resident financial subsidiaries of non-financial corporations, insofar as the funds raised in these issues are routed to the parent company as loans. The issuing institutions of these financial instruments are classified as Other financial intermediaries in the Boletín Estadístico and in the Financial Accounts of the Spanish Economy.

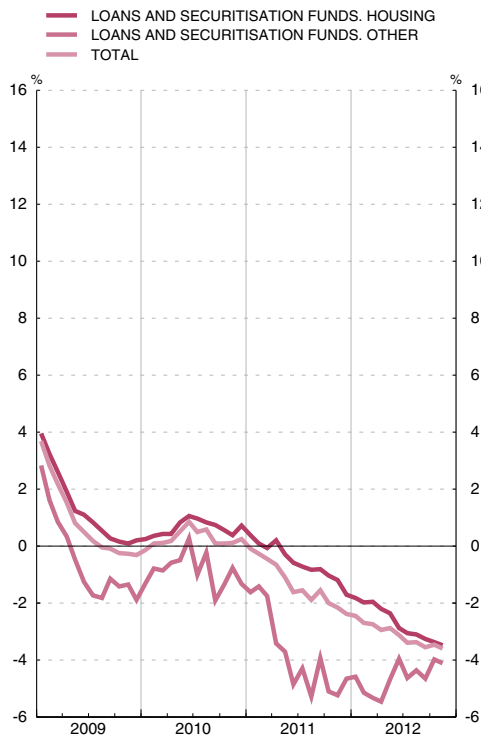
8.7. FINANCING OF HOUSEHOLDS AND NPISHS RESIDENT IN SPAIN (a)

■ Series depicted in chart.

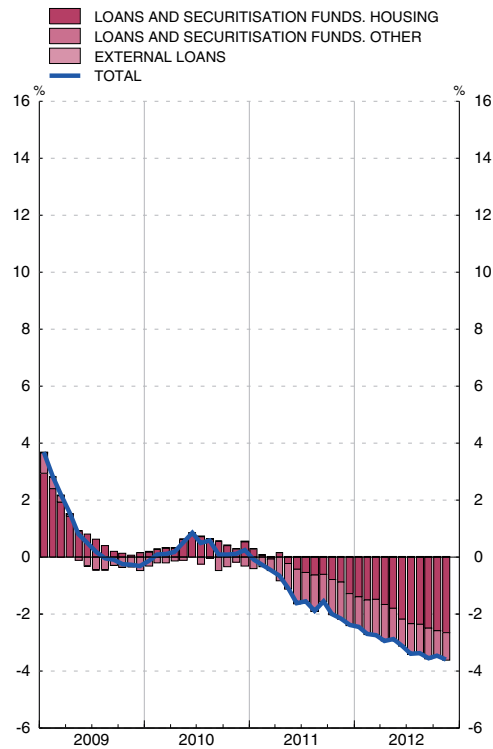
EUR millions and %

	Total			Resident credit institutions' loans and off-balance-sheet securitised loans. Housing			Resident credit institutions' loans and off-balance-sheet securitised loans. Other			External loans			Memorandum items: off-balance-sheet securitised loans	
	Stocks	Effective flow	Annual growth rate	Stocks	Annual growth rate	Contribution to col.3	Stocks	Annual growth rate	Contribution to col.3	Stocks	Annual growth rate	Contribution to col.3	Housing	Other
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
09	903 342	-2 867	-0.3	678 552	0.2	0.1	221 824	-1.9	-0.5	2 966	3.8	0.0	23 986	2 986
10	898 146	2 116	0.2	679 958	0.7	0.5	215 285	-1.3	-0.3	2 902	5.8	0.0	17 161	1 637
11	870 960	-21 481	-2.4	666 866	-1.7	-1.3	201 065	-4.7	-1.1	3 029	4.9	0.0	10 336	547
11 Aug	878 962	-4 454	-1.9	671 877	-0.8	-0.6	204 077	-5.3	-1.3	3 007	6.2	0.0	15 627	648
Sep	877 623	-618	-1.5	671 201	-0.8	-0.6	203 403	-3.9	-0.9	3 018	6.4	0.0	15 475	605
Oct	873 953	-3 220	-2.0	669 149	-1.0	-0.8	201 797	-5.1	-1.2	3 007	5.0	0.0	15 305	610
Nov	877 624	4 173	-2.2	667 909	-1.2	-0.9	206 696	-5.2	-1.3	3 020	4.7	0.0	15 250	570
Dec	870 960	-5 583	-2.4	666 866	-1.7	-1.3	201 065	-4.7	-1.1	3 029	4.9	0.0	10 336	547
12 Jan	865 762	-4 614	-2.5	663 730	-1.8	-1.4	199 318	-4.6	-1.1	2 714	4.9	0.0	10 245	497
Feb	861 035	-4 418	-2.7	660 918	-2.0	-1.5	197 389	-5.1	-1.2	2 728	5.3	0.0	10 194	450
Mar	858 727	-2 975	-2.7	659 805	-2.0	-1.5	196 186	-5.3	-1.3	2 737	4.7	0.0	10 089	428
Apr	855 481	-2 097	-2.9	660 121	-2.2	-1.7	192 603	-5.5	-1.3	2 757	5.3	0.0	10 040	347
May	853 837	-1 358	-2.9	657 256	-2.4	-1.8	193 809	-4.7	-1.1	2 772	5.2	0.0	9 897	271
Jun	855 738	2 617	-3.1	653 954	-2.9	-2.2	199 001	-4.0	-0.9	2 783	5.2	0.0	9 753	378
Jul	847 701	-7 522	-3.4	652 132	-3.1	-2.3	192 770	-4.6	-1.1	2 799	4.9	0.0	8 273	295
Aug	843 988	-3 945	-3.4	649 660	-3.1	-2.4	191 517	-4.4	-1.0	2 811	5.2	0.0	8 180	263
Sep	840 752	-2 302	-3.6	648 026	-3.3	-2.5	189 911	-4.7	-1.1	2 815	5.1	0.0	8 505	252
Oct	838 178	-2 274	-3.5	645 408	-3.4	-2.6	189 851	-4.0	-0.9	2 919	7.6	0.0	8 428	215
Nov	840 792	2 881	-3.6	643 426	-3.5	-2.7	194 428	-4.1	-1.0	2 938	8.0	0.0	8 326	207

FINANCING OF HOUSEHOLDS AND NPISHs
Annual percentage change



FINANCING OF HOUSEHOLDS AND NPISHs
Contributions to the annual percentage change



Source: BE.

a. The annual percentage changes are calculated as the effective flow of the period / the stock at the beginning of the period.

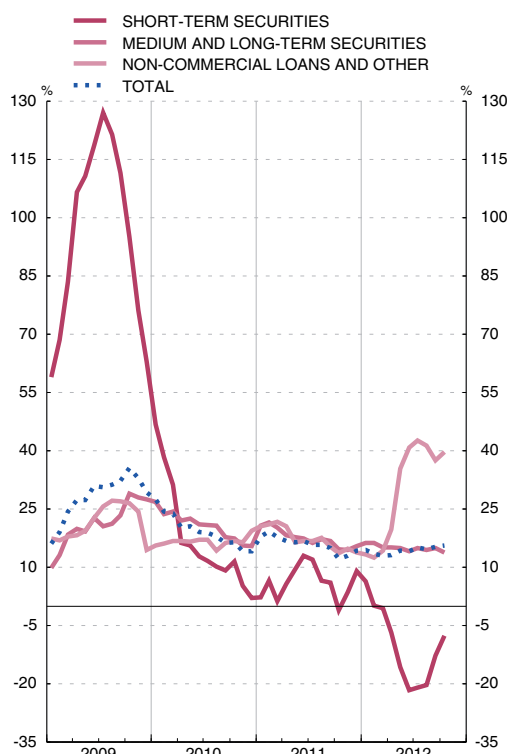
8.8. GROSS FINANCING OF SPAIN'S GENERAL GOVERNMENT

■ Series depicted in chart.

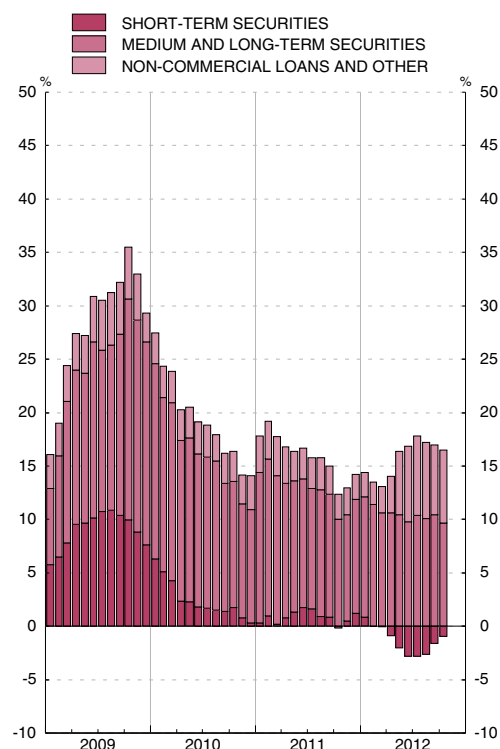
EUR millions and %

	Gross financing			Short-term securities				Medium and long term securities				Non Commercial Loans and Others (b)			
	EDP Debt (a)	Monthly change	12 month % change	Total	Monthly change	12 month % change	Contribution to 12-month % change	Total	Monthly change	12 month % change	Contribution to 12-month % change	Total	Monthly change	12 month % change	Contribution to 12-month % change
	1=4+8+12	2=5+9+13	3	4	5	6	7	8	9	10	11	12	13	14	15
08	436 984	54 677	14.3	53 033	19 637	58.8	5.1	302 498	22 626	8.1	5.9	81 453	12 414	18.0	3.2
09	565 082	128 098	29.3	86 395	33 361	62.9	7.6	385 433	82 935	27.4	19.0	93 255	11 802	14.5	2.7
10	P 644 692	79 609	14.1	88 201	1 806	2.1	0.3	445 175	59 742	15.5	10.6	111 316	18 061	19.4	3.2
11	P 736 468	91 777	14.2	96 153	7 952	9.0	1.2	513 696	68 521	15.4	10.6	126 619	15 303	13.7	2.4
11 May	P 686 986	7 727	16.4	89 763	3 600	9.5	1.3	481 957	5 841	17.7	12.3	115 265	-1 714	16.4	2.7
Jun	P 705 526	18 540	16.7	92 398	2 635	13.0	1.8	490 811	8 854	17.4	12.0	122 316	7 051	16.8	2.9
Jul	P 698 882	-6 644	15.8	93 407	1 009	12.0	1.7	483 074	-7 737	16.3	11.2	122 401	85	16.8	2.9
Aug	P 698 608	-274	15.8	90 370	-3 037	6.6	0.9	487 085	4 011	17.2	11.9	121 154	-1 247	17.5	3.0
Sep	P 708 577	9 969	15.0	91 377	1 008	6.1	0.8	493 453	6 368	16.8	11.5	123 747	2 593	15.2	2.7
Oct	P 706 582	-1 995	12.2	90 110	-1 267	-1.0	-0.1	494 460	1 007	14.6	10.0	122 012	-1 735	13.7	2.3
Nov	P 718 181	11 599	12.9	93 376	3 266	3.5	0.5	502 460	8 000	14.4	9.9	122 346	334	14.8	2.5
Dec	P 736 468	18 287	14.2	96 153	2 778	9.0	1.2	513 696	11 236	15.4	10.6	126 619	4 273	13.7	2.4
12 Jan	P 751 019	14 551	14.4	93 550	-2 604	6.4	0.9	529 881	16 185	16.2	11.3	127 589	970	13.3	2.3
Feb	P 763 741	12 722	13.5	89 450	-4 100	0.1	0.0	544 638	14 757	16.3	11.4	129 654	2 065	12.5	2.1
Mar	P 774 926	11 185	13.0	85 483	-3 966	-0.6	-0.1	553 704	9 066	15.1	10.6	135 739	6 085	14.3	2.5
Apr	P 768 640	-6 287	13.2	80 278	-5 205	-6.8	-0.9	548 214	-5 491	15.1	10.6	140 148	4 409	19.8	3.4
May	P 785 487	16 848	14.3	75 655	-4 623	-15.7	-2.1	553 781	5 567	14.9	10.5	156 051	15 903	35.4	5.9
Jun	P 804 615	19 127	14.0	72 386	-3 269	-21.7	-2.8	560 000	6 219	14.1	9.8	172 228	16 177	40.8	7.1
Jul	A 803 930	-685	15.0	73 843	1 456	-20.9	-2.8	555 544	-4 456	15.0	10.4	174 544	2 315	42.6	7.5
Aug	A 800 752	-3 178	14.6	72 057	-1 786	-20.3	-2.6	557 444	1 900	14.4	10.1	171 251	-3 292	41.4	7.2
Sep	A 817 164	16 412	15.3	79 770	7 713	-12.7	-1.6	567 236	9 792	15.0	10.4	170 158	-1 093	37.5	6.5
Oct	A 816 424	-740	15.5	83 303	3 532	-7.6	-1.0	562 763	-4 473	13.8	9.7	170 359	201	39.6	6.8

GROSS FINANCING OF GENERAL GOVERNMENT
Annual percentage changes



GROSS FINANCING OF GENERAL GOVERNMENT
Contributions to the annual percentage change



FUENTE: BE.

a. Debt according to Excessive Deficit Procedure (EDP). Consolidated nominal gross debt.

b. Including coined money and Caja General de Depósitos

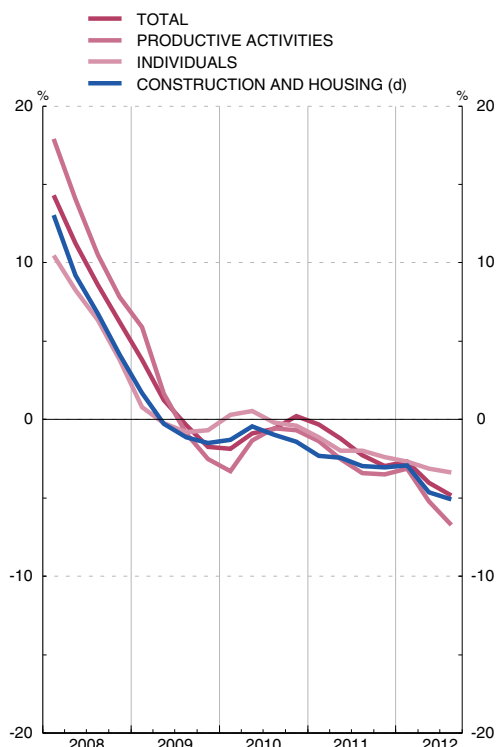
8.9 LENDING BY CREDIT INSTITUTIONS TO OTHER RESIDENT SECTORS. BREAKDOWN BY END-USE.

■ Series depicted in chart.

EUR millions and percentages

	Financing of productive activities							Financing of individuals				Financing of private non-profit institutions	Unclassified	Memo-randum item: construction and housing (d)		
	Total (a)	Total	Agriculture and fisheries	Industry excluding construction	Construction	Services		Total	Home purchases and improvements	Purchases of consumer durables					Other (b)	
						Total	Real estate activities			Of which	Total					Purchases
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
09	1 837 038	991 363	23 123	152 199	130 438	685 602	322 984	813 939	654 566	624 755	49 273	110 101	5 523	26 213	1 107 988	
10	1 843 952	985 157	23 128	152 376	114 519	695 134	315 782	812 781	662 798	632 449	42 068	107 916	6 096	39 918	1 093 099	
11	1 782 555	944 058	21 782	143 246	98 546	680 483	298 323	793 430	656 452	626 550	37 686	99 292	7 000	38 067	1 053 321	
08 Q2	1 838 174	991 307	25 727	148 218	155 600	661 762	313 176	817 074	645 286	616 487	57 726	114 062	5 952	23 840	1 114 062	
Q3	1 852 563	1 005 670	26 593	155 481	156 363	667 233	315 444	816 755	651 958	623 101	55 859	108 938	6 063	24 075	1 123 765	
Q4	1 869 882	1 016 948	26 244	156 141	151 848	682 716	318 032	819 412	655 145	626 620	54 176	110 092	6 091	27 431	1 125 024	
09 Q1	1 861 734	1 018 902	24 472	158 905	143 515	692 011	324 222	808 715	651 495	621 811	50 560	106 660	5 125	28 991	1 119 231	
Q2	1 861 005	1 007 492	23 732	158 800	134 690	690 271	324 664	815 068	651 564	620 920	49 583	113 922	5 382	33 063	1 110 917	
Q3	1 846 010	996 650	23 576	153 070	134 045	685 959	324 439	810 149	652 434	622 122	49 840	107 875	5 457	33 754	1 110 918	
Q4	1 837 038	991 363	23 123	152 199	130 438	685 602	322 984	813 939	654 566	624 755	49 273	110 101	5 523	26 213	1 107 988	
10 Q1	1 827 087	985 197	22 791	149 368	126 464	686 574	322 820	811 242	655 474	625 856	47 716	108 053	5 372	25 276	1 104 758	
Q2	1 847 066	994 441	23 366	152 413	124 054	694 607	321 946	821 460	660 436	630 104	44 712	116 312	5 840	25 326	1 106 436	
Q3	1 837 278	991 374	23 456	152 031	121 514	694 374	320 090	810 717	659 232	628 696	40 259	111 225	5 743	29 444	1 100 836	
Q4	1 843 952	985 157	23 128	152 376	114 519	695 134	315 782	812 781	662 798	632 449	42 068	107 916	6 096	39 918	1 093 099	
11 Q1	1 824 256	971 962	22 618	145 796	109 582	693 966	312 152	804 029	658 133	628 138	41 073	104 823	5 710	42 554	1 079 867	
Q2	1 817 801	963 039	22 435	146 481	105 489	688 634	308 425	805 058	658 999	628 377	40 201	105 858	5 898	43 806	1 072 912	
Q3	1 788 847	951 096	22 203	145 503	102 258	681 132	303 506	794 554	655 726	625 101	38 478	100 350	6 557	36 639	1 061 491	
Q4	1 782 555	944 058	21 782	143 246	98 546	680 483	298 323	793 430	656 452	626 550	37 686	99 292	7 000	38 067	1 053 321	
12 Q1	1 768 488	935 176	21 416	139 850	96 193	677 716	295 696	782 441	649 716	620 182	35 835	96 890	6 643	44 228	1 041 606	
Q2	1 744 215	912 949	21 085	138 007	91 869	661 988	286 942	779 915	644 201	614 707	34 726	100 988	7 013	44 338	1 023 012	
Q3	1 701 789	886 962	20 852	135 140	87 793	643 178	280 245	767 855	639 522	610 943	31 953	96 381	6 910	40 061	1 007 560	

CREDIT BY END-USE
Annual percentage changes (c)



CREDIT TO INDIVIDUALS BY END-USE
Annual percentage changes (c)



SOURCE: BE.

a. Series obtained from information in the accounting statement established for the supervision of resident institutions. See the changes introduced in the October 2001 edition of the Boletín estadístico and Tables 4.13, 4.18 and 4.23 of the Boletín estadístico, which are published at www.bde.es.

b. Includes loans and credit to households for the purchase of land and rural property, the purchase of securities, the purchase of current goods and services not considered to be consumer durables (e.g. loans to finance travel expenses) and for various end-uses not included in the foregoing.

c. Asset-backed securities brought back onto the balance sheet as a result of the entry into force of Banco de España Circular BE 4/2004 have caused a break in the series in June 2005. The rates depicted in the chart have been adjusted to eliminate this effect.

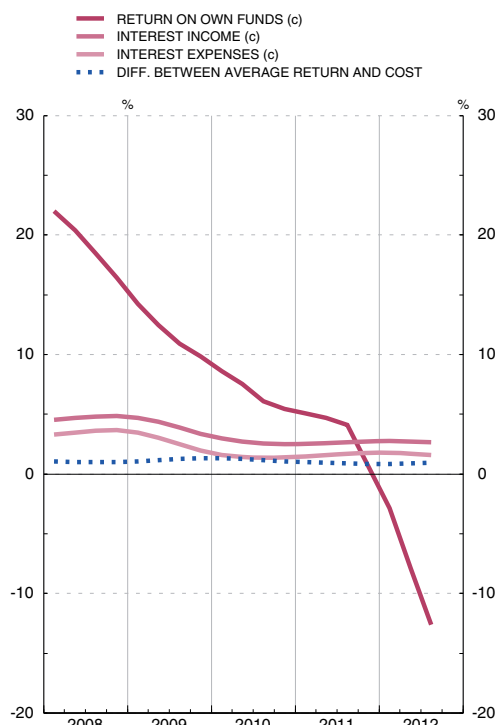
d. Including: construction, real estate activities and home purchases and improvements

8.10. PROFIT AND LOSS ACCOUNT OF DEPOSIT-TAKING INSTITUTIONS RESIDENT IN SPAIN

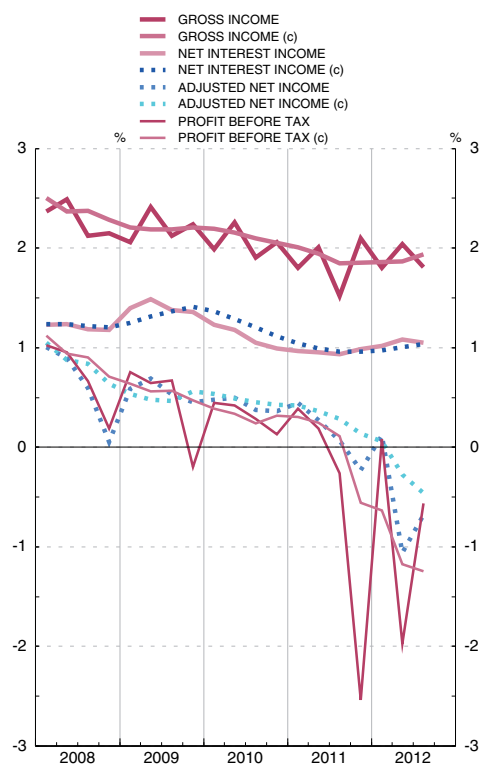
■ Series depicted in chart.

	As a percentage of the adjusted average balance sheet											Percentages			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Interest income	Interest expenses	Net interest income	Return on equity instruments and non interest income	Gross income	Operating expenses:	Of which: Staff costs	Other operating income	Adjusted net income	Other net income	Profit before tax	Average return on own funds (a)	Average return on lending operations (b)	Average cost of borrowing operations (b)	Difference (12-13)
09	2.8	1.4	1.4	0.9	2.2	1.0	0.6	0.8	0.5	0.8	-0.2	8.0	3.6	2.3	1.3
10	2.5	1.6	1.0	1.1	2.1	1.0	0.6	0.7	0.4	0.5	0.1	5.4	2.7	1.6	1.1
11	2.8	1.8	1.0	1.1	2.1	0.9	0.5	1.4	-0.2	2.2	-2.5	-8.5	2.9	2.1	0.9
09 Q4	2.8	1.4	1.4	0.9	2.2	1.0	0.6	0.8	0.5	0.8	-0.2	8.0	3.6	2.3	1.3
10 Q1	2.5	1.3	1.2	0.8	2.0	0.9	0.6	0.6	0.5	0.1	0.4	6.6	3.2	1.9	1.3
Q2	2.5	1.3	1.2	1.1	2.3	0.9	0.6	0.8	0.5	0.2	0.4	5.7	2.9	1.6	1.3
Q3	2.5	1.4	1.1	0.9	1.9	0.9	0.6	0.6	0.4	0.2	0.3	4.0	2.7	1.6	1.2
Q4	2.5	1.6	1.0	1.1	2.1	1.0	0.6	0.7	0.4	0.5	0.1	5.4	2.7	1.6	1.1
11 Q1	2.6	1.6	1.0	0.8	1.8	0.9	0.6	0.4	0.4	0.1	0.4	5.2	2.7	1.7	1.0
Q2	2.7	1.8	1.0	1.1	2.0	1.0	0.6	0.8	0.3	0.1	0.2	4.1	2.8	1.8	0.9
Q3	2.8	1.8	0.9	0.6	1.5	0.9	0.5	0.5	0.1	0.3	-0.3	1.7	2.8	2.0	0.9
Q4	2.8	1.8	1.0	1.1	2.1	0.9	0.5	1.4	-0.2	2.2	-2.5	-8.5	2.9	2.1	0.9
12 Q1	2.7	1.7	1.0	0.8	1.8	0.9	0.5	0.8	0.1	0.2	0.1	-8.9	3.0	2.1	0.9
Q2	2.6	1.5	1.1	1.0	2.0	0.9	0.5	2.2	-1.1	0.8	-2.0	-16.0	3.0	2.0	0.9
Q3	2.4	1.4	1.1	0.8	1.8	0.8	0.5	1.7	-0.7	0.3	-0.6	-17.1	2.9	1.9	1.0

PROFIT AND LOSS ACCOUNT
Percentages of the adjusted average balance sheet and returns



PROFIT AND LOSS ACCOUNT
Percentages of the adjusted average balance sheet



Source: BE.

Note: The underlying series for this indicator are in Table 4.36 of the BE Boletín estadístico.

a. Profit before tax divided by own funds.

b. Only those financial assets and liabilities which respectively give rise to financial income and costs have been considered to calculate the average return and cost.

c. Average of the last four quarters.

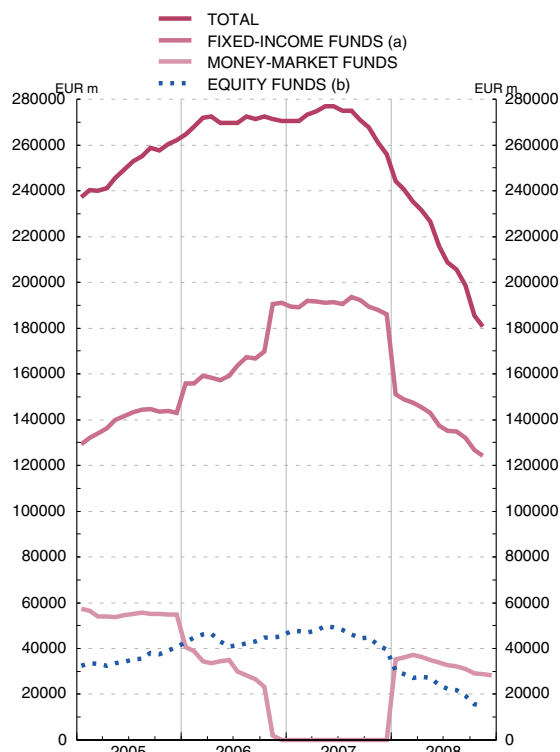
8.11. MUTUAL FUNDS RESIDENT IN SPAIN

■ Series depicted in chart.

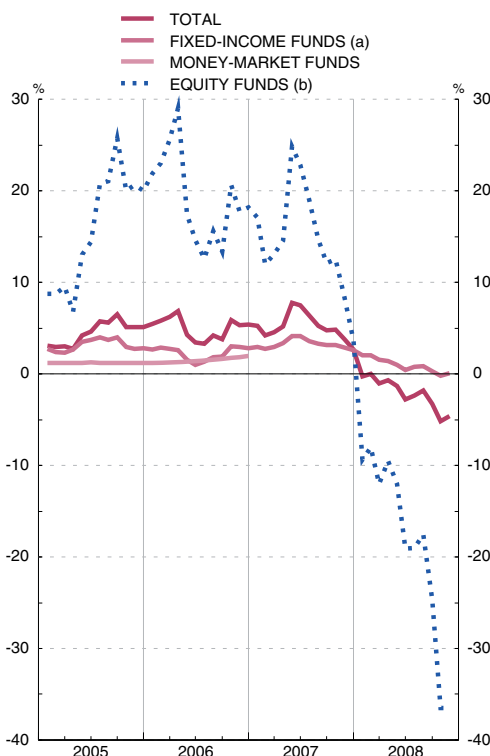
EUR millions

	Total				Money-market funds				Fixed-income funds (a)				Equity funds (b)				Others funds (c)
	Net asset value	Monthly change	Net funds invested	Return over last 12 months	Net asset value	Monthly change	Net funds invested	Return over last 12 months	Net asset value	Monthly change	Net funds invested	Return over last 12 months	Net asset value	Monthly change	Net funds invested	Return over last 12 months	Net asset value
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
05	262 201	26 113	14 270	5.1	54 751	-3 237	-3 881	1.2	143 047	15 312	12 061	2.8	40 672	8 649	2 303	20.0	23 730
06	270 407	8 206	-10 861	5.4	106	-54 645	-55 113	2.0	191 002	47 954	39 212	2.8	45 365	4 693	-2 189	18.2	33 934
07	256 055	-14 352	-22 008	2.6	-	-106	-106	...	185 963	-5 039	-8 287	2.6	39 449	-5 916	-7 179	3.6	30 643
07 Aug	275 016	-19	-242	5.3	-	-	-	...	193 565	3 073	2 697	3.3	46 136	-2 060	-1 421	14.7	35 314
Sep	270 736	-4 279	-5 439	4.8	-	-	-	...	192 289	-1 277	-1 624	3.1	44 560	-1 576	-1 877	12.1	33 887
Oct	267 586	-3 151	-6 069	4.8	-	-	-	...	189 387	-2 902	-3 907	3.1	44 816	255	-1 196	12.5	33 383
Nov	261 331	-6 255	-4 310	3.8	-	-	-	...	188 057	-1 330	-1 536	2.9	41 620	-3 196	-1 640	8.3	31 654
Dec	256 055	-5 276	-4 537	2.6	-	-	-	...	185 963	-2 094	-1 919	2.6	39 449	-2 171	-1 417	3.6	30 643
08 Jan	244 286	-11 769	-6 863	-0.3	35 111	35 111	1 027	...	151 093	-34 870	531	2.0	30 184	-9 265	-5 341	-9.4	27 898
Feb	240 462	-3 824	-4 123	0.0	36 169	1 058	-10	...	148 946	-2 147	-1 376	2.0	28 813	-1 371	-1 319	-8.0	26 534
Mar	235 174	-5 288	-3 933	-1.1	37 340	1 171	-369	...	147 530	-1 415	-1 658	1.5	27 214	-1 599	-906	-12.0	23 090
Apr	231 723	-3 451	-5 458	-0.7	36 428	-912	-909	...	145 511	-2 019	-2 512	1.4	27 622	409	-839	-9.5	22 161
May	226 535	-5 187	-5 542	-1.3	35 029	-1 400	-1 590	...	142 921	-2 590	-2 562	1.0	27 159	-464	-627	-12.0	21 427
Jun	215 574	-10 961	-7 355	-2.8	33 849	-1 180	-1 569	...	137 444	-5 476	-3 950	0.4	24 008	-3 150	-753	-19.1	20 273
Jul	208 593	-6 982	-7 186	-2.4	32 589	-1 260	-1 628	...	135 012	-2 433	-2 798	0.7	22 309	-1 699	-1 354	-19.0	18 683
Aug	205 707	-2 886	-7 138	-1.8	32 125	-464	-549	...	134 723	-289	-711	0.8	21 922	-388	-5 444	-17.6	16 938
Sep	198 665	-7 042	-5 892	-3.3	30 927	-1 198	-1 176	...	131 932	-2 791	-2 863	0.3	19 242	-2 680	-972	-24.7	16 564
Oct	185 428	-13 237	-11 680	-5.2	29 165	-1 762	-1 796	...	126 590	-5 342	-7 323	-0.2	15 756	-3 486	-959	-36.5	13 917
Nov	180 835	-4 593	-4 363	-4.6	28 810	-355	-427	...	124 111	-2 479	-2 854	0.1	14 708	-1 048	-496	-36.5	13 207

NET ASSET VALUE



RETURN OVER LAST 12 MONTHS



SOURCES: CNMV and Inverco.

a. Includes short and long-term fixed-income funds in euros and international, mixed fixed-income funds in euros and international and guaranteed funds.

b. Includes equity funds and mixed equity funds in euros, national and international.

c. Global funds.

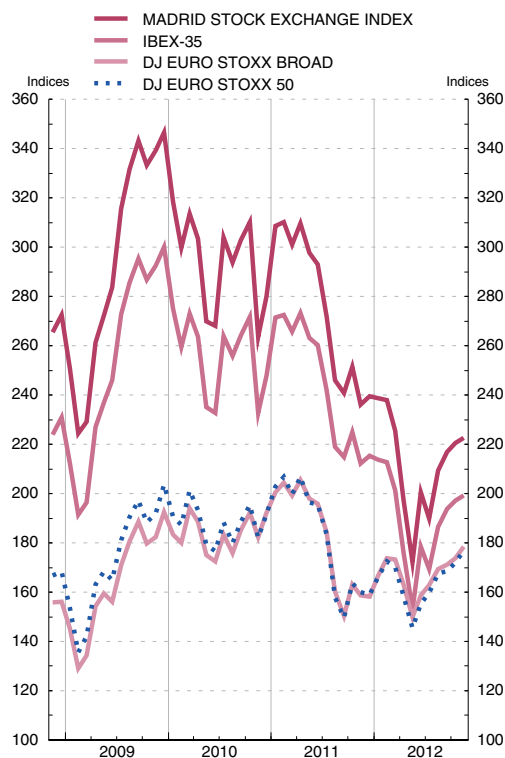
8.12. SHARE PRICE INDICES AND TURNOVER ON SECURITIES MARKETS. SPAIN AND EURO AREA

■ Series depicted in chart.

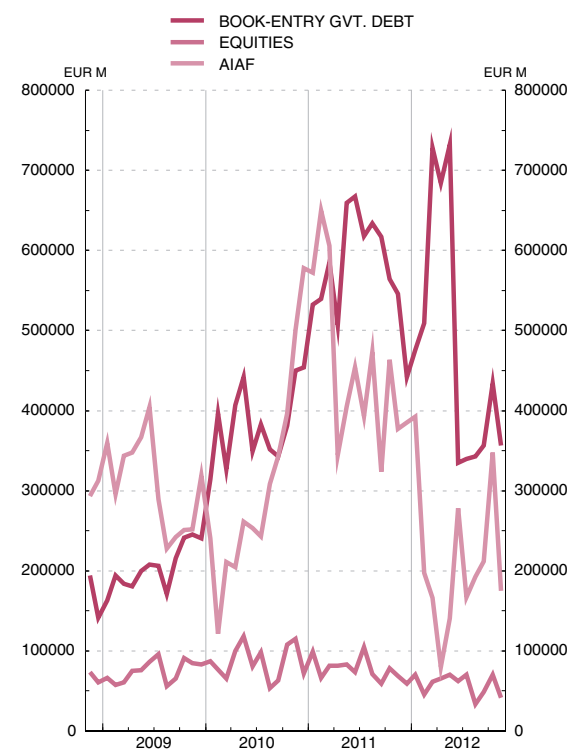
Indices, EUR millions and thousands of contracts

	Share price indices						Turnover on securities markets					
	General Madrid Stock Exchange	IBEX 35	Dow Jones EURO STOXX indices		Stock market		Book-entry government debt	AIAF fixed-income market	Financial options (thousands of contracts)		Financial futures (thousands of contracts)	
			Broad	50	Equities	Bonds			Fixed-income	Shares and other equities	Fixed-income	Shares and other equities
	1	2	3	4	5	6	7	8	9	10	11	12
10	1 053.39	10 203.05	262.35	2 737.05	1 038 259	67 454	4 597 749	3 660 872	-	37 904	-	6 639
11	986.15	9 727.31	258.92	2 646.26	926 265	70 978	6 911 206	5 448 503	-	29 630	-	5 591
12	A 759.00	7 525.56	238.81	2 398.93	639 738	57 123	5 293 164	2 349 112	-	30 708	-	4 724
11 Aug	881.40	8 718.60	228.82	2 302.08	70 892	5 279	633 792	473 063	...	1 523	...	602
Sep	862.85	8 546.60	214.77	2 179.66	58 839	5 331	617 152	323 864	...	3 030	...	441
Oct	901.18	8 954.90	232.83	2 385.22	78 397	4 071	564 362	463 770	...	1 994	...	356
Nov	845.97	8 449.50	226.68	2 330.43	68 702	13 191	545 551	377 003	...	2 949	...	367
Dec	857.65	8 566.30	225.78	2 316.55	59 425	4 652	441 925	385 388	...	4 211	...	283
12 Jan	855.17	8 509.20	237.81	2 416.66	70 057	4 595	475 268	392 335	...	2 990	...	304
Feb	852.45	8 465.90	248.09	2 512.11	45 692	5 239	509 249	197 260	...	1 977	...	327
Mar	807.46	8 008.00	247.21	2 477.28	61 373	5 458	727 917	166 605	...	4 527	...	441
Apr	707.48	7 011.00	233.02	2 306.43	65 798	5 699	683 752	79 682	...	1 710	...	587
May	617.23	6 089.80	213.87	2 118.94	70 119	6 897	732 309	140 899	...	2 419	...	626
Jun	718.49	7 102.20	226.42	2 264.72	62 049	3 875	335 123	277 867	...	4 246	...	566
Jul	680.53	6 738.10	232.34	2 325.72	70 446	5 057	339 550	167 029	...	2 140	...	515
Aug	749.84	7 420.50	241.70	2 440.71	33 630	3 945	342 962	192 740	...	2 044	...	374
Sep	777.05	7 708.50	244.21	2 454.26	48 788	6 081	356 661	212 006	...	4 937	...	357
Oct	790.12	7 842.90	248.10	2 503.64	69 931	4 267	433 914	347 799	...	1 819	...	338
Nov	P 798.04	7 934.60	254.83	2 575.25	41 854	6 008	356 458	174 890	...	1 899	...	289

SHARE PRICE INDICES
JAN 1994 = 100



TURNOVER ON SECURITIES MARKETS



Sources: Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (columns 1, 2, 5 and 6); Reuters (columns 3 and 4); AIAF (column 8) and Spanish Financial Futures Market (MEFFSA) (columns 9 to 12)

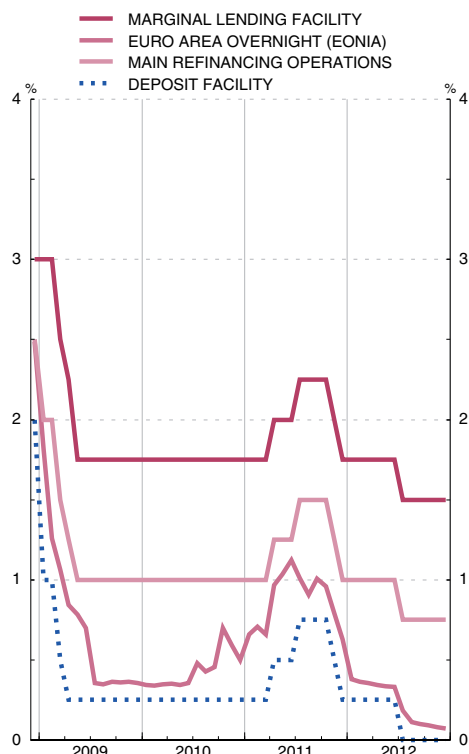
9.1. INTEREST RATES. EUROSISTEM AND MONEY MARKET. EURO AREA AND SPAIN

■ Series depicted in chart.

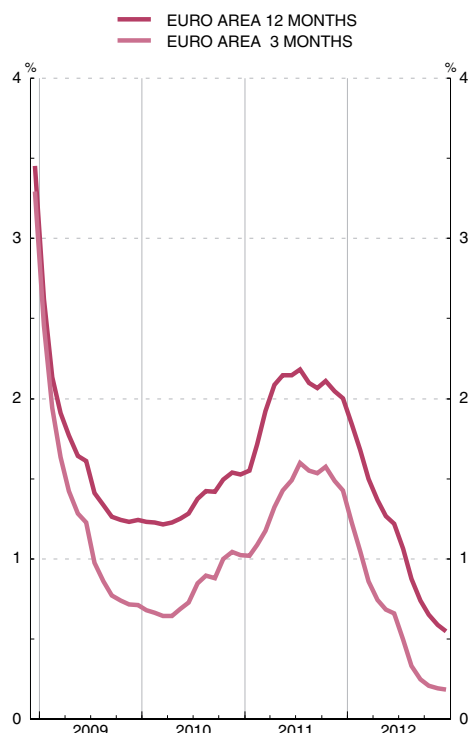
Averages of daily data. Percentages per annum

	Eurosistem monetary policy operations				Money market													
	Main refinancing operations: weekly tenders	Longer term refinancing operations: monthly tenders	Standing facilities		Euro area: deposits (Euribor) (a)					Spain								
			Marginal lending	Deposit	Over-night (EONIA)	1-month	3-month	6-month	1-year	Non-transferable deposits					Government-securities repos			
										Over-night	1-month	3-month	6-month	1-year	Over-night	1-month	3-month	1-year
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
10	1.00	1.00	1.75	0.25	0.437	0.57	0.81	1.08	1.35	0.46	0.71	0.87	1.04	1.36	0.39	0.57	0.74	0.98
11	1.00	1.00	1.75	0.25	0.871	1.18	1.39	1.64	2.01	1.02	1.33	1.34	1.57	2.64	0.88	1.17	1.39	2.04
12	0.75	0.75	1.50	-	0.229	0.33	0.57	0.83	1.11	0.27	0.76	1.06	-	1.72	0.18	0.41	0.56	1.00
11 Sep	1.50	1.50	2.25	0.75	1.005	1.35	1.54	1.74	2.07	1.27	1.60	1.68	-	3.10	1.00	1.23	1.37	-
Oct	1.50	1.50	2.25	0.75	0.960	1.36	1.58	1.78	2.11	1.40	1.52	-	-	-	1.06	1.30	1.44	-
Nov	1.25	1.25	2.00	0.50	0.790	1.23	1.48	1.71	2.04	1.38	1.30	1.46	-	3.10	1.01	1.28	1.65	1.00
Dec	1.00	1.00	1.75	0.25	0.627	1.14	1.43	1.67	2.00	0.81	1.38	-	-	-	0.64	1.08	1.77	-
12 Jan	1.00	1.00	1.75	0.25	0.380	0.84	1.22	1.51	1.84	0.34	1.14	1.16	-	-	0.24	0.37	0.50	-
Feb	1.00	1.00	1.75	0.25	0.366	0.63	1.05	1.35	1.68	0.35	0.84	1.07	-	1.72	0.27	0.28	0.53	-
Mar	1.00	1.00	1.75	0.25	0.357	0.47	0.86	1.16	1.50	0.31	0.50	0.94	-	-	0.17	0.16	0.60	-
Apr	1.00	1.00	1.75	0.25	0.345	0.41	0.74	1.04	1.37	0.31	0.48	-	-	-	0.20	0.21	0.45	-
May	1.00	1.00	1.75	0.25	0.337	0.39	0.68	0.97	1.27	0.34	0.54	-	-	-	0.25	0.32	0.61	-
Jun	1.00	1.00	1.75	0.25	0.332	0.38	0.66	0.94	1.22	0.41	0.83	-	-	-	0.32	0.77	0.93	-
Jul	0.75	0.75	1.50	-	0.184	0.22	0.50	0.78	1.06	0.24	0.51	-	-	-	0.20	0.45	0.15	1.00
Aug	0.75	0.75	1.50	-	0.110	0.13	0.33	0.61	0.88	0.21	0.59	-	-	-	0.15	0.45	-	-
Sep	0.75	0.75	1.50	-	0.099	0.12	0.25	0.48	0.74	0.21	0.22	-	-	-	0.10	0.43	0.46	-
Oct	0.75	0.75	1.50	-	0.091	0.11	0.21	0.41	0.65	0.20	0.60	-	-	-	0.15	0.51	0.67	-
Nov	0.75	0.75	1.50	-	0.079	0.11	0.19	0.36	0.59	0.14	0.65	-	-	-	0.06	0.53	0.64	-
Dec	0.75	0.75	1.50	-	0.073	0.11	0.19	0.32	0.55	0.18	0.20	-	-	-	0.09	0.46	0.58	-

EUROSISTEM: MONETARY POLICY OPERATIONS AND EURO AREA OVERNIGHT DEPOSITS



INTERBANK MARKET: EURO AREA 3-MONTH AND 1-YEAR RATES



Source: ECB (columns 1 to 8).

a. To December 1998, synthetic euro area rates have been calculated on the basis of national rates weighted by GDP

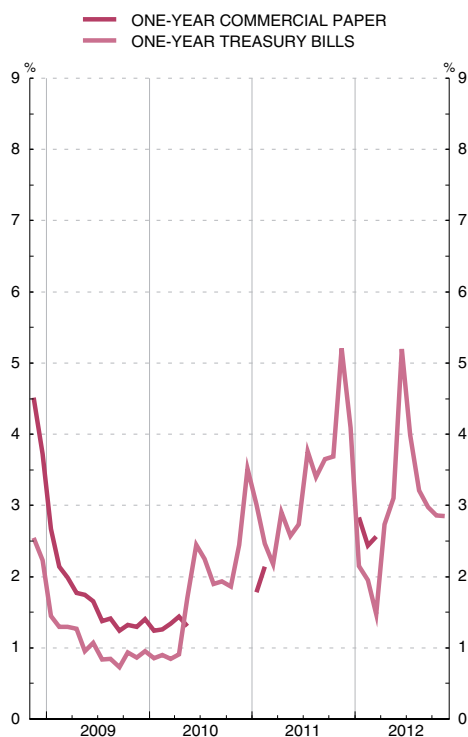
9.2. INTEREST RATES: SPANISH SHORT-TERM AND LONG-TERM SECURITIES MARKETS

■ Series depicted in chart.

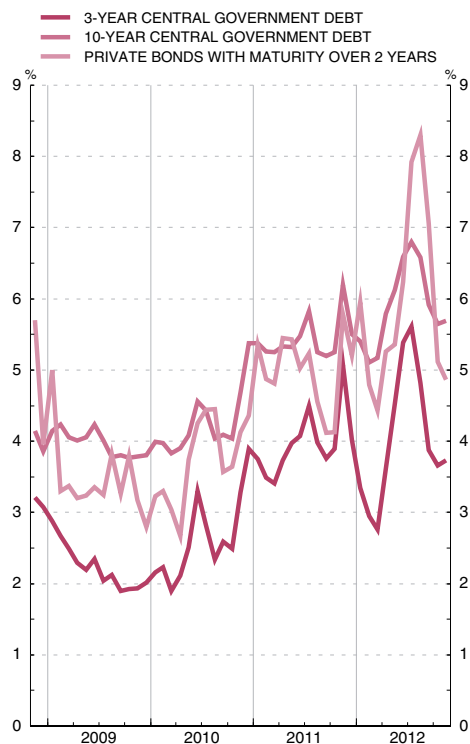
Percentages per annum

	Short-term securities				Long-term securities								
	One-year Treasury bills		One-year commercial paper		Central Government debt							Private bonds with a maturity of over two years traded on the AIAF	
	Marginal rate at issue	Secondary market: outright spot purchases between market members	Rate at issue	Secondary market: outright spot purchases	Marginal rate at issue					Secondary market. Book-entry debt. Outright spot purchases between market members			
					3-year bonds	5-year bonds	10-year bonds	15-year bonds	30-year bonds	At 3-years	At 10-years		
	1	2	3	4	5	6	7	8	9	10	11	12	
10		1.80	1.70	1.32	1.62	2.79	3.27	4.51	4.97	5.11	2.64	4.25	3.74
11		3.31	3.04	1.95	3.11	4.11	4.64	5.55	5.99	5.96	3.97	5.44	5.00
12	A	2.95	2.70	2.48	3.20	4.00	4.86	5.84	-	6.37	4.03	5.90	5.94
11 Aug		3.40	3.25	-	3.50	4.90	-	5.05	-	-	3.98	5.25	4.56
Sep		3.65	3.33	-	3.34	-	4.52	5.20	-	-	3.76	5.20	4.12
Oct		3.69	3.47	-	3.44	3.52	-	5.45	-	-	3.89	5.25	4.13
Nov		5.20	4.75	-	3.53	4.36	4.89	7.09	-	-	5.07	6.19	5.78
Dec		4.09	3.45	-	3.66	5.20	5.56	5.57	-	-	4.02	5.50	5.21
12 Jan		2.15	2.04	2.83	3.65	3.58	3.95	5.47	-	-	3.34	5.40	5.95
Feb		1.95	1.63	2.44	3.42	3.13	3.70	4.90	-	-	2.95	5.11	4.79
Mar		1.47	1.43	2.56	3.23	2.52	4.24	-	-	-	2.76	5.17	4.43
Apr		2.74	2.42	-	3.08	3.52	4.37	5.78	-	-	3.62	5.79	5.26
May		3.10	3.27	-	3.05	5.13	4.98	-	-	-	4.52	6.13	5.36
Jun		5.20	4.18	-	3.18	5.51	6.20	6.12	-	-	5.39	6.59	6.24
Jul		3.99	4.05	-	2.52	5.30	6.54	6.80	-	-	5.61	6.79	7.92
Aug		3.21	3.09	2.44	2.74	4.85	6.06	6.71	-	-	4.82	6.58	8.30
Sep		2.98	2.63	-	2.92	3.55	4.58	5.70	-	-	3.88	5.92	7.06
Oct		2.86	2.54	-	3.76	3.27	4.00	5.47	-	-	3.66	5.65	5.12
Nov		2.85	2.42	2.10	3.72	3.66	4.79	5.56	-	6.37	3.73	5.69	4.86

PRIMARY MARKET



SECONDARY MARKET



Sources: Main issuers (column 3); AIAF (columns 4 and 12).

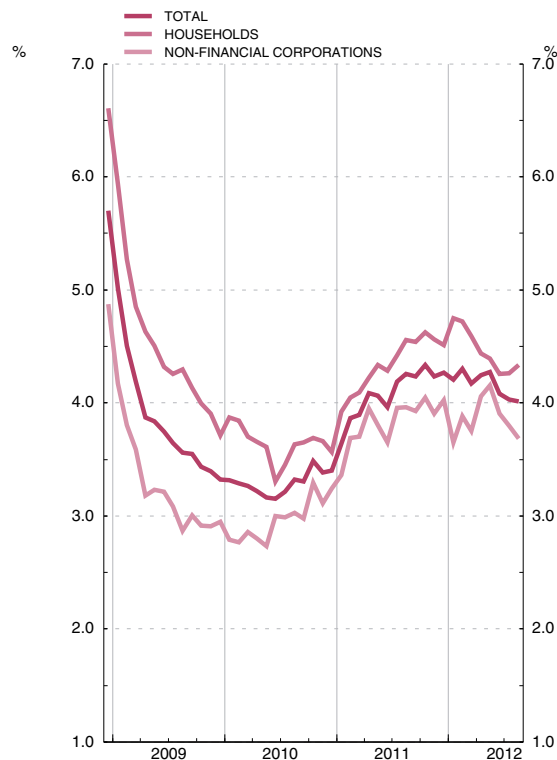
9.3. INTEREST RATES ON NEW BUSINESS. CREDIT INSTITUTIONS. (CBE 4/2002) SDDS (a)

■ Series depicted in chart.

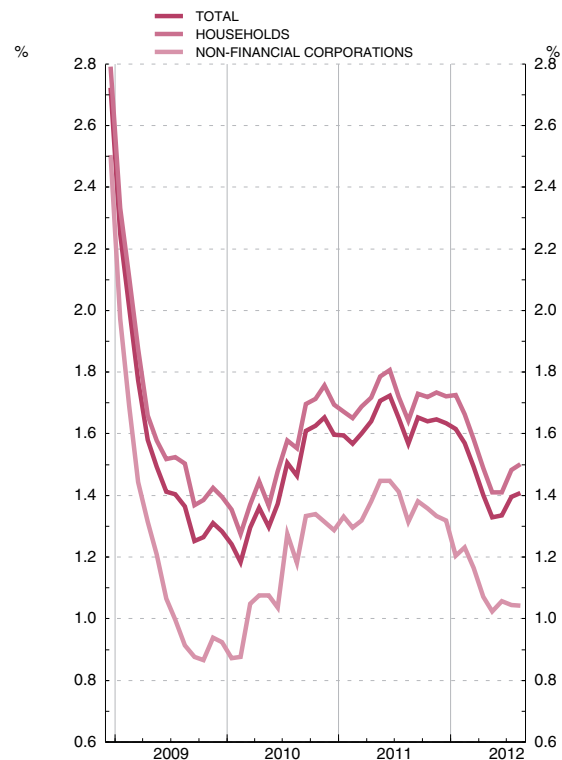
Percentages

	Loans (APRC) (b)							Deposits (NDER) (b)									
	Synthetic rate (d)	Households and NPISH			Non-financial corporations			Synthetic rate (d)	Households and NPISH				Non-financial corporations				
		Synthetic rate	House purchase	Consumption and other	Synthetic rate	Up to EUR 1 million	Over EUR 1 million (c)		Synthetic rate	Over-night and re-deemable at notice	Time	Repos	Synthetic rate	Over-night	Time	Repos	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
10		3.40	3.56	2.66	6.35	3.24	4.40	2.73	1.60	1.70	0.27	2.74	1.21	1.29	0.68	1.98	0.79
11		4.27	4.51	3.66	7.29	4.02	5.39	3.51	1.63	1.72	0.28	2.79	0.86	1.32	0.61	2.13	1.00
12	A	3.83	3.98	3.06	6.99	3.67	5.58	2.74	1.63	1.75	0.22	2.89	1.29	1.14	0.40	2.11	0.51
11	Apr	4.09	4.22	3.31	7.13	3.95	5.01	3.37	1.64	1.72	0.30	2.73	1.24	1.38	0.63	2.23	1.03
	May	4.07	4.34	3.46	7.13	3.80	5.08	3.12	1.71	1.79	0.31	2.83	1.16	1.45	0.65	2.32	1.01
	Jun	3.96	4.28	3.53	6.64	3.65	5.09	3.08	1.72	1.81	0.30	2.91	1.23	1.45	0.64	2.34	1.18
	Jul	4.19	4.42	3.58	7.10	3.96	5.23	3.29	1.65	1.72	0.30	2.75	1.23	1.41	0.64	2.27	1.13
	Aug	4.26	4.55	3.68	7.38	3.96	5.18	3.36	1.57	1.64	0.33	2.57	1.12	1.32	0.65	2.04	0.98
	Sep	4.23	4.54	3.67	7.34	3.93	5.19	3.27	1.65	1.73	0.30	2.74	1.14	1.38	0.63	2.20	1.10
	Oct	4.33	4.62	3.75	7.47	4.05	5.34	3.31	1.64	1.72	0.30	2.72	1.22	1.36	0.66	2.10	1.20
	Nov	4.23	4.56	3.72	7.22	3.91	5.36	3.16	1.65	1.73	0.29	2.77	1.16	1.33	0.63	2.13	1.19
	Dec	4.27	4.51	3.66	7.29	4.02	5.39	3.51	1.63	1.72	0.28	2.79	0.86	1.32	0.61	2.13	1.00
12	Jan	4.20	4.75	3.80	7.86	3.65	5.52	2.96	1.61	1.73	0.27	2.78	0.51	1.20	0.60	1.91	0.49
	Feb	4.30	4.72	3.82	7.70	3.88	5.42	3.14	1.57	1.66	0.26	2.66	0.49	1.23	0.60	1.94	0.50
	Mar	4.17	4.59	3.74	7.41	3.75	5.49	2.96	1.49	1.58	0.28	2.53	0.39	1.16	0.56	1.88	0.51
	Apr	4.25	4.43	3.53	7.48	4.06	5.82	3.21	1.40	1.49	0.27	2.37	0.58	1.07	0.54	1.68	0.60
	May	4.27	4.39	3.47	7.46	4.15	5.56	3.60	1.33	1.41	0.26	2.26	0.64	1.02	0.51	1.69	0.48
	Jun	4.08	4.26	3.40	7.04	3.91	5.58	3.36	1.34	1.41	0.26	2.31	0.77	1.06	0.52	1.79	0.64
	Jul	4.03	4.26	3.34	7.32	3.80	5.70	2.98	1.40	1.48	0.24	2.44	0.72	1.04	0.49	1.77	0.58
	Aug	4.01	4.33	3.31	7.76	3.68	5.81	2.74	1.41	1.50	0.25	2.47	0.75	1.04	0.46	1.81	0.48
	Sep	3.87	4.17	3.18	7.50	3.56	5.51	2.57	1.59	1.72	0.26	2.84	1.14	1.09	0.44	1.93	0.95
	Oct	3.89	4.14	3.18	7.34	3.64	5.61	2.71	1.61	1.70	0.25	2.77	1.11	1.23	0.43	2.26	0.72
	Nov	3.83	3.98	3.06	6.99	3.67	5.58	2.74	1.63	1.75	0.22	2.89	1.29	1.14	0.40	2.11	0.51
	P																

LOANS
SYNTHETIC RATES



DEPOSITS
SYNTHETIC RATES



Source: BE.

a. This table is included among the IMF's requirements to meet the Special Data Dissemination Standards (SDDS)

b. APRC: annual percentage rate of charge. NEDR: narrowly defined effective rate, which is the same as the APRC without including commissions.

c. Calculated by adding to the NEDR rate, which does not include commissions and other expenses, a moving average of such expenses.

d. The synthetic rates of loans and deposits are obtained as the average of the interest rates on new business weighted by the euro-denominated stocks included in the balance sheet for all the instruments of each sector.

e. Up to the reference month May 2010, this column includes credit granted through credit cards (see the 'Changes' note in the July-August 2010 Boletín Estadístico).

9.4 INDICES OF SPANISH COMPETITIVENESS VIS-À-VIS THE EU-27 AND THE EURO AREA

■ Series depicted in chart.

Base 1999 Q1 = 100

	Vis-à-vis the EU-27									Vis-à-vis the euro area				
	Total (a)				Nominal component (b)	Price component (c)				Based on producer prices	Based on consumer prices	Based on total unit labour costs (d)	Based on manufacturing unit labour costs (d)	Based on export unit values
	Based on producer prices	Based on consumer prices	Based on total unit labour costs (d)	Based on export unit values		Based on producer prices	Based on consumer prices	Based on total unit labour costs (d)	Based on export unit values					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
09	107.5	110.5	112.2	102.1	102.6	104.7	107.6	109.3	99.5	106.9	109.4	111.8	112.8	103.3
10	106.8	110.0	109.6	102.3	101.9	104.8	108.0	107.6	100.5	106.8	110.0	110.3	111.6	104.2
11	106.8	110.2	106.9	101.8	101.9	104.9	108.2	104.9	99.9	107.0	110.4	107.5	109.5	103.8
10 Q4	106.4	110.6	108.8	101.9	101.8	104.6	108.7	106.9	100.1	106.5	110.8	109.5	113.6	103.7
11 Q1	106.7	109.5	107.6	102.2	101.6	105.1	107.8	105.9	100.6	107.0	110.1	108.6	106.1	104.2
Q2	106.8	110.9	107.7	102.4	101.8	104.9	108.8	105.7	100.5	107.0	111.1	108.3	108.7	104.4
Q3	106.9	109.9	106.5	102.0	102.0	104.8	107.8	104.4	100.0	107.0	110.0	107.1	110.9	104.0
Q4	106.9	110.6	105.7	100.7	102.1	104.6	108.3	103.5	98.6	106.9	110.5	106.1	112.3	102.6
12 Q1	106.7	108.6	103.9	102.1	101.7	104.9	106.8	102.1	100.4	107.1	109.1	105.0	108.7	104.3
Q2	106.5	109.8	102.0	101.6	101.5	104.9	108.1	100.5	100.1	107.2	110.4	103.3	109.1	103.7
Q3	106.5	109.2	100.3	...	101.1	105.3	108.0	99.2	...	107.5	110.3	102.0	109.9	...
12 Mar	106.8	109.2	103.9	102.1	101.6	105.1	107.4	102.1	100.5	107.3	109.7	105.0	108.7	104.5
Apr	106.7	109.9	...	101.2	101.6	105.0	108.2	...	99.7	107.3	110.5	...	...	103.4
May	106.5	109.7	...	101.8	101.5	105.0	108.1	...	100.3	107.2	110.4	...	...	103.9
Jun	106.4	109.6	102.0	101.7	101.5	104.8	108.0	100.5	100.2	107.0	110.3	103.3	109.1	103.9
Jul	106.4	108.7	...	...	101.2	105.1	107.4	...	...	107.4	109.7	...	...	...
Aug	106.5	108.6	...	...	101.0	105.4	107.5	...	...	107.6	109.8	...	...	...
Sep	106.7	110.4	100.3	...	101.2	105.5	109.1	99.2	...	107.7	111.5	102.0	109.9	...
Oct	106.6	110.8	...	...	101.3	105.2	109.4	...	...	107.4	111.7	...	...	...
Nov	...	110.7	...	...	101.3	...	109.3	...	...	...	111.7	...	...	...
Dec	...	...	...	...	101.4	...	...	...	...	...	...	...	...	...

INDICES OF SPANISH COMPETITIVENESS VIS À VIS THE EU-27



INDICES OF SPANISH COMPETITIVENESS VIS À VIS THE EURO AREA



Source: BE.

a. Outcome of multiplying nominal and cost/price components. A decline in the index denotes an improvement in the competitiveness of Spanish products.

b. Geometric mean calculated using a double weighting system based on (1995-1997), (1998-2000), (2001-2003), and (2004-2006) manufacturing foreign trade figures.

c. Relationship between the price indices of Spain and of the group.

d. Quarterly series. Indices for Spain have been calculated using data for Unit Labour Costs (total and manufacturing) compiled from Quarterly Spanish National Accounts. Base 2008. Source INE.

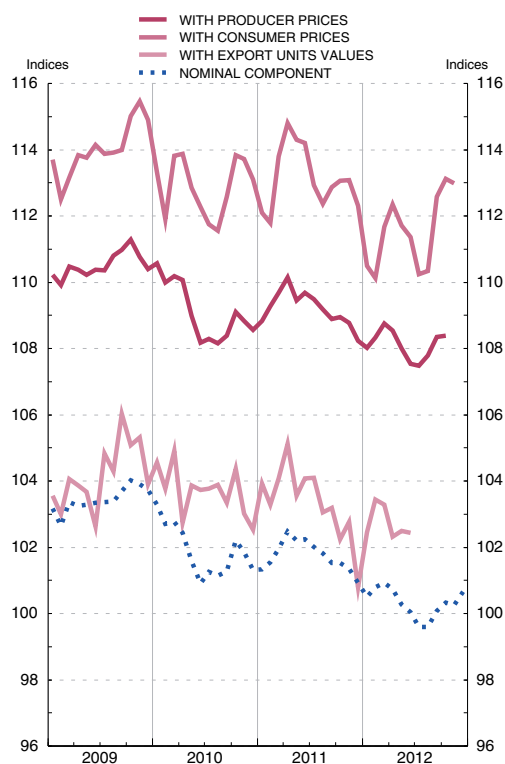
9.5 INDICES OF SPANISH COMPETITIVENESS VIS-À-VIS THE DEVELOPED COUNTRIES AND INDUSTRIALISED COUNTRIES

■ Series depicted in chart.

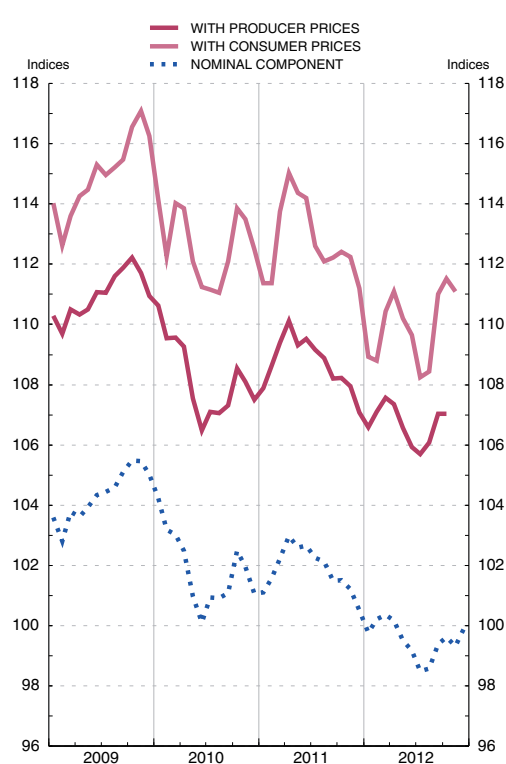
Base 1999 Q1 = 100

	Vis-à-vis developed countries									Vis-à-vis industrialised countries				
	Total (a)				Nominal component (b)	Prices component (c)				Total (a)		Nominal component (b)	Prices component (c)	
	Based on producer prices	Based on consumer prices	Based on manufacturing unit labour costs (d)	Based on export unit values		Based on producer prices	Based on consumer prices	Based on manufacturing unit labour costs (d)	Based on export unit values	Based on producer prices	Based on consumer prices		Based on producer prices	Based on consumer prices
	1	2	3	4		6	7	8	9	10	11		13	14
09	■	■	■	■	■	■	■	■	■	■	■	■	■	■
10	110.5	114.0	120.1	104.2	103.4	106.9	110.2	116.1	100.7	111.0	115.0	104.4	106.4	110.2
11	109.1	112.9	116.4	103.7	101.9	107.1	110.8	114.2	101.8	108.2	112.7	101.9	106.2	110.6
11	109.2	113.1	113.4	103.3	101.7	107.3	111.2	111.4	101.6	108.7	112.7	101.8	106.7	110.7
10 Q4	108.8	113.6	118.0	103.3	101.8	106.9	111.6	115.9	101.5	108.0	113.3	101.8	106.1	111.2
11 Q1	109.3	112.6	109.7	103.8	101.6	107.5	110.8	108.0	102.1	108.6	112.2	101.6	106.9	110.4
Q2	109.8	114.4	113.1	104.2	102.3	107.3	111.9	110.6	101.9	109.6	114.5	102.7	106.7	111.5
Q3	109.2	112.7	114.8	103.4	101.8	107.3	110.7	112.7	101.6	108.8	112.3	102.0	106.7	110.2
Q4	108.7	112.8	115.8	101.9	101.3	107.3	111.4	114.3	100.6	107.7	111.9	101.1	106.6	110.8
12 Q1	108.4	110.8	111.5	103.1	100.7	107.6	110.0	110.7	102.3	107.1	109.4	100.1	107.0	109.3
Q2	108.0	111.8	111.5	102.4	100.3	107.7	111.4	111.1	102.1	106.6	110.3	99.6	107.0	110.7
Q3	107.9	111.0	111.6	...	99.8	108.1	111.3	111.9	...	106.3	109.2	98.8	107.5	110.5
12 Mar	108.7	111.7	111.5	103.3	100.9	107.8	110.7	110.7	102.3	107.6	110.4	100.4	107.2	110.0
Apr	108.6	112.3	...	102.3	100.7	107.8	111.5	...	101.6	107.4	111.1	100.2	107.2	110.9
May	108.0	111.7	...	102.5	100.3	107.7	111.4	...	102.2	106.6	110.2	99.5	107.1	110.7
Jun	107.5	111.4	111.5	102.4	100.0	107.5	111.3	111.1	102.4	105.9	109.7	99.2	106.8	110.6
Jul	107.5	110.3	...	...	99.6	107.9	110.7	...	...	105.7	108.2	98.5	107.3	109.9
Aug	107.8	110.3	...	...	99.6	108.2	110.8	...	...	106.1	108.4	98.6	107.6	110.0
Sep	108.4	112.6	111.6	...	100.1	108.3	112.5	111.9	...	107.0	111.0	99.4	107.7	111.7
Oct	108.4	113.1	...	...	100.3	108.1	112.8	...	...	107.0	111.5	99.6	107.5	112.0
Nov	...	113.0	...	...	100.2	...	112.7	...	...	...	111.1	99.3	...	111.8
Dec	...	...	...	...	100.7	...	...	...	...	...	...	99.9	...	...

INDICES OF SPANISH COMPETITIVENESS VIS-À-VIS THE DEVELOPED COUNTRIES



INDICES OF SPANISH COMPETITIVENESS VIS-À-VIS THE INDUSTRIALISED COUNTRIES



Source: BE.

a. Outcome of multiplying nominal and cost/price components. A decline in the index denotes an improvement in the competitiveness of Spanish products.

b. Geometric mean calculated using a double weighting system based on (1995-1997), (1998-2000), (2001-2003), and (2004-2006) manufacturing foreign trade figures.

c. Relationship between the price indices of Spain and of the group.

d. Quarterly series. Indices for Spain have been calculated using data for Unit Labour Costs (total and manufacturing) compiled from Quarterly Spanish National Accounts. Base 2008. Source INE.